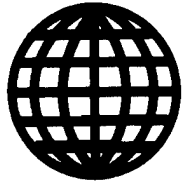


JPRS-EER-92-069
2 JUNE 1992



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4 Variants of Election Results Outlined

92CH0545A Prague REPORTER in Czech 15 Apr 92
pp 5-6

[Article by Martin Mrnka: "Will the Velvet Be Gone by June?"]

[Text] While in the corridors of political parties negotiations on postelection coalitions are coming to a head, increasing numbers of our citizens still do not know whom they will vote for two months from now. As the latest public opinion poll shows, more than one-fourth of the citizens of the Czech Republic remain undecided. But if we assume that our citizens are intelligent enough not to make their decision solely on the basis of preelection sound bites, we can assume even today that from their ranks will come those who will either not take part in the elections or will vote for one of the parties in the center of the political spectrum. But whatever the results of their vote, there will obviously be no stunningly surprising outcome. Therefore even today, knowledgeable observers are expecting at most four possible variants of the future political developments in our state. However, with one exception none of them is especially rosy. On the contrary. The outlook for our political scene is practically catastrophic.

The Optimistic Variant

Although the concepts of politician and optimist are to a considerable degree mutually exclusive, there still exist many of the former who believe that reason will prevail in Czechoslovakia. Not on the part of the voters—there it is taken for granted—but on the part of the political parties where it is in ever shorter supply. The optimistic variant expects that four large political groupings will emerge, which will begin to form prior to the elections and whose numbers will be increased by other parties after the elections. According to these views, a strong rightist and leftist bloc will be formed both in the Czech lands and in Slovakia.

For example, Fedor Gal thinks that the ODU [Civic Democratic Union] (Public Against Violence [VPN]), which according to the latest public opinion poll does not even have enough votes to be entitled to a seat in the parliament, will form a strong coalition with Carnogursky's Christian Democratic Movement [KDH], the Democratic Party, the Hungarian Civic Party, and the Slovak offshoot of the Civic Democratic Party [ODS]. This coalition, in his opinion, could get as many as 40 percent (!) of the votes. Facing it will be, according to the "first post-November emigre," the Movement for Democratic Slovakia [HZDS], the Slovak National Party [SNS], and the Slovak Christian Christian Democratic Movement [SKDH] with an equal number of votes. The balance will be held by the Party of Democratic Left [SDL], which might be willing, in order to preserve a single state with the Czech Republic, to vote occasionally in favor of the rightist and profederal government resulting from the elections!

Although Fedor Gal can be rightly suspected of coloring the reality a little bit, he is not the only one who does not consider HZDS victory in Slovakia to be a forgone conclusion. The cards could be considerably reshuffled particularly by the former East Slovak Kraj, where the situation is entirely different than in the from Prague more visible Bratislava. It so happens that Kosice has an obviously justified greater fear of the "Bratislava centrists" than of the "Prague centrists." All the more so, because two foremost federal politicians, Calfa and Bak-say, hail from eastern Slovakia. It is, after all, no accident that the moderate politics of the Party of Democratic Left toward the federation stems precisely from the attitude of eastern Slovakia.

Besides the paradoxical victory of the Slovak right, linked with the former communists in the SDL by the idea of the common state, the optimistic variant of the postelection development also contains a surprise in Bohemia and Moravia. According to the Czech optimists, the right will succeed just before the elections in negotiating the formation of a strong bloc, which would join the ODS, other than with the Christian Democratic Party [KDS], Club of Nonaligned Activists [KAN], and the anticommunists, also with the Civic Democratic Alliance [ODA] and Czechoslovak People's Party-Christian Democratic Union [CSL-KDU]. That way the right could face up to the equally strong coalition of the Social Democrats, the Liberal Social Union, and some of the Moravian parties. There would again be an approximately 40-percent stalemate on both sides, while the dark horse for the right would be the Civic Movement with 10 percent of the votes, and for the left the similarly strong Communist Party of Bohemia and Moravia [KSCM].

In the view of the optimists, the right in Slovakia and the Czech lands would be capable of agreement, which would preserve the common state on the one hand, and on the other would enable the economic reform to proceed the same way as now. A strong position of the left would in turn make possible quality opposition to governmental programs. There is only one thing left to say: In order for an impartial observer to reach the same conclusion, his optimism would have to exceed all reasonable limits.

The Pessimistic Variant

Pessimists are considered to be realists in these parts. And the pessimistic variant of the postelection development is indeed based on reality. Not on ours, but on the Polish reality. The current Polish model, which so frightens the Czech right, is considered to be the logical outcome of the faded euphoria from the collapse of the totalitarian regime and a natural impact of economic difficulties, common to all the countries of the former communist bloc.

According to the pessimistic variant, ODS, CSL-KDU, and KAN will form a government coalition in the Czech lands, and the other rightist parties will not pass through

the electoral screen. The left will remain splintered, and neither shall we find OH as the center of the new political scene. In Slovakia the government will be formed by the victorious HZDS, which will be willing to admit to power only SKDH and SNS. Neither ODU (VPN) nor any other rightist party will receive the necessary 5 percent of the votes in the elections, so that the only opposition to the nationalistic parties, which are leftist anyway, will be the SDL. The Hungarian Civic Party will consider itself lucky if the nationalists will let it remain in the parliament.

The same groupings as in the republics will have a simple majority in the appropriate part of the Chamber of Nations in the Federal Assembly. The goals of both groups, however, will be diametrically opposite, while the cornerstone will not be the state setup but the economic reform. Whereas the Czech right will hold to its basic precepts, HZDS and SNS will not retreat from their arguments which they last used during the negotiations in Milove. At that time both parties absolutely rejected the formulation of a uniform economy on the entire territory as well as the state setup acceptable to the Czech side.

According to the pessimists, after the elections this situation will lead either to protracted parliamentary disputes and crises of the Polish type, which will make it impossible to elect a president, form a minority government or adopt key laws, or the state will break up immediately after the elections. The pessimists also base their assertions on the recent Meciar affair, which will result in the effort of this politician to create a solid barrier between himself and the Czech Republic, making any agreement with the Czech political entities impossible. Moreover, in their view it is beyond question that a federation, whose individual components have a different political structure, cannot exist.

After Slovakia breaks away, whether constitutionally or unconstitutionally, the situation in the Czech lands will stabilize and to the east of the White Carpathian Mountains a leftist dictatorship with democratic elements will come into being, similar to Russia or Ukraine. In fact, in that respect the pessimists, who mainly hail from the Czech lands, talk like optimists. We shall get rid of the Slovaks and everything will be easier, they say.

Unfortunately, as we have learned from historians, a single nation or ethnic group generally are not the only source of difficulties, and simple solutions generally do not achieve the goal. If the pessimistic variant comes to pass, the Czech Republic would have so many problems that it would become easy prey to its economically stronger neighbors. Provided, of course, that they would still be interested in it at all.

The Leftist Variant

According to the pessimistic pessimists, who stand on the right end of the political spectrum, and according to the optimistic optimists, who are on the other side, in the next elections the left will be victorious everywhere. In

Slovakia, HZDS will roll over all the other parties with the exception of SDL, while both parties will wisely form an unbeatable leftist government. In the Czech lands, ODS will be unable to come to an agreement with the other rightist partners, and with an elegant body check will be pushed to the rear of the coalition of the Social Democrats, Liberal Social Union, and the silent partner, the Communist Party of Bohemia and Moravia [KSCM]. Alexander Dubcek will become president, Valtr Komarek the prime minister of the federal government. An alternative would be Komarek as president and Meciar at the head of the CSFR Government. Vaclav Havel will depart for Hradecek to write bitter memoirs. In this connection, the Social Democrats are being suspected by many that in a decisive situation they will not hesitate, as they did not before the February putsch of 1948, that they will forget about old disputes, and will be even willing to invite the communist into the government.

The postelection shock will manifest itself in a mass emigration of the new entrepreneurial class abroad, and the resulting wave of exodus by the elite of the nation will undermine the country's economy even more thoroughly than Komarek's economic experiments. The IMF and the World Bank, faced with the changes in the direction of the reform, will block our loans, and foreign capital will find more promising partners among the Hungarians. All in all, according to the right a terrifying future awaits us, according to the left happy social tomorrows, when the mark will cost 6 Czechoslovak korunas, to be sure, but again as a foreign exchange promise. The first unambiguous advantage of the "leftist variant" is the assumed preservation of the common state. The second, support of agriculture, which, with the help of Trnka's party, will be pushed through from Bratislava by Frantisek Cuba, who will thus finally fulfill the dream of the refugee in political asylum, Captain Zak.

The Pragmatic Variant

We have recently published the pragmatic variant of postelection developments (REPORTER No. 10). Its basis for reasoning is the striking similarity in the style and method of the political work of the HZDS and ODS, as well as the extent of pragmatism in both party chairman.

As we wrote at that time, Vaclav Klaus and Vladimir Meciar were the only two politicians who perceived perfectly what worries the voters in their countries the most. Whereas ODS understood that what the Czechs and Moravians long for most is to become equal with the West, HZDS understood the problem of many Slovaks—they would like to become the equal of the Czechs. For the Czechs to get in step with the West means to realize the economic reform. For the Slovaks, to get in step with Bohemia and Moravia leads toward strengthening their own statehood.

What we thought at that time has been since understandably complicated by the revelation of the Defense and Security Committee of the Slovak National Council, that the candidate for secret cooperation under the cover name "Doctor" was in reality Vaclav Meciar. With the passage of time, it is becoming more and more apparent that the real goal of the affair (regardless of the truth of the charge, which I do not, in fact, doubt) was not to eliminate a serious adversary from the ranks of the opposition. Not even a very undiscerning politician could assume that after so many attacks on Meciar the publication of this fact could endanger the position of the HZDS. It is much more likely that the publication of information from the secret "Z" file could serve to discredit Meciar even more in the eyes of the Czech and Moravian public. Now it would be very difficult for Vaclav Klaus to tell his own nation that he is forming a postelection government coalition with an agent of State Security [StB].

Nevertheless, let us allow for argument's sake that even this variant would be possible. After all, nothing else was proven against Vladimir Meciar other than that he was a candidate for cooperation with State Security, which could have happened even without his knowledge. In such a case the federation would be saved, a president—most likely Vaclav Havel—would be elected, there would even be a strong federal government which, assuming a somewhat looser union of the republics, could preserve international prestige as well as the economic reform. The weak point of this pragmatic variant is, of course, that it counts on an obviously far too great tolerant attitude of those involved.

None of the above-mentioned four variants of postelection developments, which today are freely circulating through the political and journalistic circles, is exactly the most felicitous one. With one exception—the optimistic one, which, however, is a little too farfetched. The question is, what do we actually want. Three years ago at this time, a communist dictatorship, 40 years in the building, held sway in our country; its methods and practices can be compared to Franco's fascist brew only with difficulty. But unfortunately we are not Spain, and we must drink all of the bitter cup into which the first drop already fell in the autumn of 1938 and which was filled to the brim in February 10 years later. To think that the transition from a totalitarian system to a developed democracy, whose economic prosperity is not harmed even by political instability of the Italian type, will be a walk through a rose garden would be nonsensical.

Nevertheless, two things about the next elections are already clear without question. First, before the elections both the left and the right will endeavor to again present the elections as a kind of referendum. As the last elections were a referendum by the citizens either for or against communism, the coming elections will obviously evoke the correct perception that at issue is either support for the economic reform or its rejection.

Including everything: opportunity provided by the coupons, a thriving private sector and a business network with the possibility of becoming a millionaire, but also unemployment and collapse of entire industrial branches which cannot keep up with the Western market system. Unfortunately, the problem of preserving the common state, where it was given to us to live for 70 years, will be pushed to the background, especially in the Czech lands.

The second aspect of the upcoming elections is even clearer. The velvet revolution, which gained for us so much obviously undeserved admiration around the world, will be gone. Apart from the dirt that individual parties will obviously heap on each other before the elections, the political scene after 5 June will be in many ways more intense and harsher. Whereas today hitting below the belt happens only occasionally, after the election it will be happening as a matter of course. A blow below the belt of course speaks mainly about the one who delivers it. And democracy depends on citizens carefully observing who it is.

Article Reviews Arms Deals With Libya

AU2605142692 Prague REPORTER in Czech No 19,
13-20 May 92 pp 12-13

[Article by Otomar Siroky: "Deals With Libya"]

[Text] At the end of May a group of 23 Czechoslovaks who have worked exactly one year for Mu'ammar al-Qadhafi on repairing military training aircraft should return from Libya. In facilities in Tamanhint, deep in the desert 850 kilometers from Tripoli, they repaired instruments, hydraulic systems, and fuselages of L-39 Albatros airplanes.

A group of 18 Czech and Slovak experts returned from the same place at the end of April. According to official CSFR sources, they arrived here in accordance with the UN Security Council resolution that, as of 15 April, prohibits UN member countries from delivering military technology and spare parts to terrorist Libya, provide expert military assistance, or conduct regular flights there. Actually, they have returned to Czechoslovakia because their official contract with the INRPO and X-Trade companies expired, companies that contracted experts for the previously classified project APRO. (A training program for Libyan specialists and aircraft technology repairs.)

Albatroses for al-Qadhafi

JANE'S states in its 1991 edition that Czechoslovakia has exported 2,726 L-39 Albatros training jets since 1972. Some 2,094 of them ended up in the former Soviet Union, followed by Libya, which received 181 jets.

Other countries, today officially described as countries supporting terrorism, were not ignored. Syria took 99 jets, Iraq 81, and Cuba 20. Apart from the so-called socialist bloc countries, deliveries were also made to

Afghanistan, Ethiopia, and Nigeria. Libya, however, topped the list in every respect.

The al-Qadhdhafi regime has been hungry for weapons since its establishment in a 1969 military coup. Only the energy crisis at the beginning of the 1970's made it possible to use the vast crude oil resources to pay for extensive purchases. At that time, when Colonel al-Qadhdhafi strengthened his dictatorship and declared the Socialist People's Libyan Arab Jamahiriyyah, there was a large influx of military technology into the country, mostly from the friendly socialist countries.

Apart from Scorpio and 58 model submachine guns, Czechoslovakia supplied al-Qadhdhafi with the infamous explosive Semtex, ammunition, radios, and radio targeting instruments. Armored personnel carriers (BVP) from Dubnica nad Vahom—about which we will speak later—and the Albatros trainers from Aero Vodochody, sold the best. Mu'ammar al-Qadhdhafi decided to build his own large air force. Apart from French military interceptors, he also bought an unbelievable quantity of Soviet MiG-21, MiG-23, and MiG-25 planes. Reportedly their number greatly exceeds the air force arsenal of, for example, our country, and the number of Libyans is five times smaller, not even 3.5 million people. The dream of the dictator-colonel was to train first-class pilots.

Originally, Libyans were supposed to be trained as combat pilots by Italian experts. Apart from the fact that the Italians were not satisfied with what was offered to them, the main obstacle to the Romance-language training were the Libyans themselves. All the experts confirm the general aversion of Arabs to flying. The would-be Libyan pilots were selected according to quite idiosyncratic criteria. They reportedly did not meet even basic criteria.

After the departure of the disenchanted Italians, pilots from the former Soviet Union arrived. They were equally unable to overcome the aversion of the chosen Libyans to flying.

Czech and Slovak experts from the Military Air Force Academy in Zvolen then took over. Their results were not fantastic, either, but their apprentices finally did learn to fly. A military pilot must go through a minimum of three stages of training before he can operate combat-level technology. In the first stage, he learns to fly propeller-driven planes, acquiring basic skills. Later he transfers to training jets, where he learns some combat techniques. Finally, fully equipped combat interceptors are used.

Czechoslovak pilots trained their Arab pupils on the Albatros L-39. They are exceptionally agile craft compared with the international standard for this class of aircraft. They can be armed with two bombs or unguided missile launchers. According to expert testimony, they really are training devices only. It cannot be denied, however, that under certain circumstances they can be used against an ill-equipped enemy such as Chad, which

Libya occupied several times. Aero Vodochody also manufactures the L-39 ZA airplane, equipped with a twin-barrel gun. We did not deliver this one to anyone, however. It was developed for the protection of Czechoslovak borders and defense against slow and low-flying targets. If combat aircraft are needed, Mu'ammar al-Qadhdhafi can use much more dangerous interceptors from his vast arsenal.

We delivered 36 Albatros jets to Libya in 1978. A year later 37 more followed, then 21 in 1981, 44 in 1982, and finally 43 in 1983. According to eyewitnesses who worked in Libya, these planes were not used much. Most of them were parked at desert military bases and buried in sand. As in the case of the combat planes, Colonel al-Qadhdhafi went far in his megalomania beyond his real needs.

The APRO Project

Aircraft deliveries very often result in additional commercial projects. In 1983 we began to build a complex of repair facilities in Tamahint. Yugoslavs delivering their Orao planes to al-Qadhdhafi also began to build in the area. The repair facilities were finished and equipped with state-of-the-art technology in the mid-1980's. In 1983 a contract was signed for the APRO project, that is, a contract which concerns training Libyan workers and repairs of some airplane parts.

If our information from those who worked in this plant is correct, for four years we were unable to produce a single Libyan expert. Libyans, pampered by advantages provided by the dictator's regime, simply have a weak work ethic. A paying customer is, however, the boss, even if his payments are irregular. This is why the project continued successfully, despite our experts having to perform the repairs themselves.

According to them, some of the planes deployed at the military base in Brak landed at the repair plant from time to time. Despite most of the planes not having flown the appropriate number of hours, they were in awful condition. Desert storms and insensitive handling by the pilots had their effect on planes parked in the open air. By the way, according to the testimony of participants, the pilots flew so seldom that they were putting their own lives at risk. In order for a pilot to maintain his skills, he must fly once a week at least. Libyan pilots reportedly got into the cockpits of their Albatroses once every two or three months.

Our experts took the planes apart, cleaned the sand out of them, and repaired them. Some 20 planes were overhauled annually.

We are to receive about 1 billion korunas [Kcs] for the entire contract, with the dollar equivalent to be deposited in a London bank. The condition was, however, that the work would be completed within the stated deadlines. This has become a bit complicated because of the UN Security Council resolutions. Apart from stopping arms technology deliveries—none were planned until the

UN deadline on 15 April anyway—the federal government reexamined the APRO project. Despite the fact that it is arguable whether training planes fall into the category specified in the Security Council's embargo, it was decided that the experts will be withdrawn. The problem is, that this decision was made while it was clear that they must leave anyway since their contract has expired.

A Strange Deal

According to the testimony of one expert, the first group was to leave Libya on 6 April and a second one by the end of May. Applications for exit visas were submitted in February on behalf of both groups. Nevertheless, a memorandum of the CSFR ambassador to Libya was read to them, stating that the experts do not want to return. [sentence as published] Some time later, the Omnipol director in Prague said the same thing.

Of course, this is nonsense. For a Czechoslovak, it is impossible to return from Libya on his own. The experts say, for example, that just between Tamanhint and Tripoli there are 13 military checkpoints. Boys, slightly above school age but armed with Kalashnikov A-47 submachine guns, are willing to shoot immediately at anyone who does not have dozens of requisite documents. It is impossible for an individual to obtain permission. To succeed in the jungle of Libyan bureaucracy, the application must be submitted by an official entity.

Finances are the other side of the coin. Travel expenses for our workers there amount to \$35 a day. The value of the dollar is weakened considerably by the disadvantageous exchange rate and food is unbelievably overpriced. After returning home, the money earned is enough to buy a better car or make a down payment on a house. Paying their own transportation back home would empty their pockets. Understandably, the experts must wait for air travel to be provided officially.

At 1200 on 13 April, the project manager told them that they would be able to leave for Tripoli and catch the last flight to Czechoslovakia. After an overnight trip, having passed through all the checkpoints, they found out that no plane was about to land. Some 18 experts returned 10 days later via Tunisia.

The remaining 23 experts, who are employed with the X-Trade company, are still waiting in Tamanhint for exit visas and appropriate transportation out of the country.

Apart from them, there are some 600 Czechoslovak citizens working in Libya in various places. They include civil engineering experts who work as advisers on civilian projects, and doctors and other medical personnel who are in Libya on private contracts. They are unlikely to leave the country even if the UN Security Council makes the embargo stricter, as it did, for example, against the terrorist regime in Iraq.

Most medical personnel have not been paid for months. According to eyewitnesses, Bulgarian doctors, for example, did not receive their pay for six months. They stay only because they dream that the money owed will be eventually paid. Most of them also believe that the embargo is the last straw, which will lead to the collapse of al-Qadhdhafi's dictatorial system. Businessmen hope the same.

Business Is Business

Czechoslovakia, as well as other countries of the so-called East Bloc, has problems with sales. Countries such as Libya, where we have old commercial and personal relations and where we know the territory, are gold mines to us. Despite their unwillingness to pay their bills, they represent a more interesting market than no market at all. Apart from capital goods, such as sugar factories or cement factories, we can also sell our consumer products there. And our weapons.

According to Havel, after November 1989 we were supposed to officially put an end to arms exports. This idea proved to be unrealistic. It is not just the Slovak nationalists who insist on continuing our long tradition of arms production. A week ago, the "father of economic reform" Vaclav Klaus described weapons as a regular commodity. CSFR Economy Minister Vladimir Dlouhy said a similar thing recently. Both were aware that as long as Germany, France, Great Britain, the United States, and other developed countries export arms, there is no reason why we should not follow their example.

The problem is that our lower quality weapons can sometimes find markets only in regions where tension prevails. Apart from the new LADA submachine guns delivered to Burma, we can offer items even more attractive than updated versions of the L-39 Albatros and the famous T-72 tanks from Martin [Heavy Machine Tools Enterprises]. Apart from the Tamara radio location system, we can also offer armored personal vehicles. In Dubnica nad Vahom, they have been producing them for years and they remain at the international standard. According to available information, this floating, armored, and tracked vehicle is capable of transporting 13 men and is comparable in many respects, with the U.S. Bradley armored vehicle or the German Marder. Its ammunition is impressive, as it has 32 jet-propelled projectiles which can be fired from a cannon, four antitank guided missiles, an embedded machine gun, and it can transport infantry weapons for the passengers.

We have exported a number of them. So far, our editorial staff was unable to learn how many. Nevertheless, many experts are able to recall television shots from the Iran-Iraq war in which these vehicles were used on both sides. Additional deliveries went to Syria, Egypt, Afghanistan, and, of course, Libya.

Recent deliveries of spare parts were expedited on the basis of a license granted in mid-March. According to our information, our government and private firms are interested in continuing this business if the embargo is lifted. Well, business is business. Morality seems to be a naive stupidity from its point of view.

Foreign Inmates of Detention Camp Voice Woes

92CH0554A Budapest 168 ORA in Hungarian
21 Apr 92 pp 6-7

[Interview with camp commander Imre Kluiber and unidentified camp inmates and guards in Kerepestarcsa by Seres; date not given: "Camp Situation in Kerepestarcsa—There, Beyond the Bars..."—first paragraph is 168 ORA introduction]

[Text]

Imported Typhoid Fever

The police apprehended 30,000 illegal immigrants in 1991. Those staying in Hungary illegally or without any livelihood are being held in the Kerepestarcsa camp until their expulsion. Everyone is dissatisfied because of the conditions there. Our correspondent Laszlo Seres talked with "guests" and guards and, following a recent breakout attempt, with camp commander Imre Kluiber.

[Seres] Did you come from Bangladesh?

[Inmate No. 1] Yes, I am a student leader from Bangladesh. There are many problems in my country, but there are serious problems in this camp as well. Sometimes there is no electricity during the night, no medical care, the toilet is often out of order, there is no hot water, one cannot move around. Once they took me for some reason to the punishment room. I spent five hours there, in the cold.

[Seres] Were you also beaten by the police?

[Inmate No. 1] I was occasionally beaten, and they also used tear gas.

Like in a Doghouse

[Seres] Are you able to complain or to use the telephone?

[Inmate No. 1] No, no, the telephone is not working. We cannot go anywhere, not even to the post office. And they do not give us enough to eat. One can simply die here.

[Seres] You came from South Africa. How long have you been here?

[Inmate No. 2] Eight months. When they brought me in, I sent a message to the UN Refugee Commission, but I was told that they cannot help me because I am being detained at this camp. They can help no one detained at this camp. The guards wake us up every morning at 0530, only to count us. Every day. No matter what we say, they do not speak English. If they would send me back to South Africa, my life would be in danger.

[Seres] Why, what have you done?

[Inmate No. 2] I was a member of the Inkatha movement and the African National Congress.

[Seres] So you fought against the government?

[Inmate No. 2] Yes. The worst thing here is that everyone is always hungry. The food amounts to hardly more than bread and water.

[Seres] Are there any Magyars among you, Romanians? Why are you here?

[Inmate No. 3] We came over to work because one cannot work at home because of the policies there, almost everyone is without a job, and we thought that we would be able to find some kind of work here, another democratic country.

[Seres] Did you come through the green zone?

[Inmate No. 3] No, we have valid passports. We were detained for four days, and a 24-hour visa is already stamped in it for me to leave the country.

[Seres] And why?

[Inmate No. 3] Only because we do not have any forints, and we did tell them that if we could only work for two days to just go home, for we cannot sit here under these conditions.... They were not interested, no one was interested....

[Seres] So the only reason is that you do not have enough forints on you? Do you have any valid documents?

[Inmate No. 1] Yes, only that, a valid passport, everything valid.

[Seres] And what did they say, what will happen to you? Will you be expelled or...

[Inmate No. 3] We know absolutely nothing, about anything. Now they have moved me out from behind the bars. We had been behind bars until now, together with, excuse me, together with urine and shit. What will happen to us now? We do not know, we know absolutely nothing. Nothing.

[Seres] Have you spoken with an attorney?

[Inmate No. 3] We did not speak, no, no, it is not allowed. It is impossible just to sit here under these conditions.... This is like a doghouse, do you understand? Do the police not think of how many different kinds of diseases we can contract here?

[Seres] You are on duty here. How do you perceive what is going on here?

[Guard No. 1] It is not pleasant for them, but it is not too pleasant for us either.

[Seres] Do you understand their complaints?

[Guard No. 1] Basically, yes. Interpreters come here, once a week....

[Seres] Water with feces was flowing through the corridors. Is that what the general situation is like?

[Guard No. 2] It is not always like that.

[Seres] And now are you pumping it, or what are you doing about it?

[Guard No. 3] They are pumping the water with a compressor into the bath, that is the only way they can wash it off.

[Seres] How can these things happen? Do they purposely plug it with towels?

[Guard No. 3] I do not know.

[Guard No. 1] The truth is that, let us say, these people do not like to work.

[Seres] What work can one do here?

[Guard No. 1] Cleaning.

[Inmate No. 4] Mine small girl sick [as published].

[Seres] Where are you from? From Romania?

[Inmate No. 4] No. Polish. No doctor. No doctor.

Bath Every 10 Days

[Seres] Commander, do you agree that these people are being detained here behind bars and under rather inhumane conditions?

[Kluiber] No one is being detained on these premises, i.e., at the temporary lodging of Kerepestarcsa.

[Seres] I beg your pardon, there are people behind thick bars who said that they are not allowed to take a walk or go anywhere.

[Kluiber] It is the interest of the Republic of Hungary and, in many cases, the interest of the guests here that they be dealt with and be expelled from Hungary as soon as possible without any severe means of force being employed.

[Seres] Part of the room with bars is separated by more bars. Why are there people there?

[Kluiber] I see it as an assurance for at least reaching the point where we can clarify the identity of those who are brought here. After we have identified them, they can go outside.

[Seres] When was the last time you personally went behind the bars?

[Kluiber] Well, today, yesterday, the day before yesterday, almost every day.

[Seres] And what do you feel when you go there?

[Kluiber] As a human being, I feel sorry. Not because of what happens to them here. I do not feel sorry about that. We can jointly do something about that. As commander, in many instances I feel a little contrary toward the guests, toward those who do not want to stay where they are now but, most of all, do not want to go home although they have been told that they must go home.

Emotionally, I understand that they are ready to do anything. They break, demolish, destroy, and take apart everything....

[Seres] The way I see it, these people are rebelling precisely against being detained under these conditions. We have seen water with feces flowing between the floors, the garbage has not been collected for months, it seems....

[Kluiber] There is a trash can on every floor for people to use. And there is also a garbage can that should be emptied by the guests. Two janitors work here whom I hired in February so that we could keep some order here; otherwise these people would be entirely covered with filth. I have had the house rules translated into 11 languages, and they are posted. What can I do if they do not abide by them or use them to wipe their you-know-what instead of using toilet paper. People from the water works come here twice a week to flush all the plumbing.

[Seres] The refugees also said that the medical care is inadequate. A young man told me that his daughter is ill but no physician comes here.

[Kluiber] There is a paid physician on the premises. The guests can see him on request during office hours, once a week. If you do not believe that, go and see the infirmary. Disinfectant cleaning takes place on Wednesdays, personally verified and signed by the physician....

[Seres] Does the physician regularly visit those detained behind the bars, if only to check any danger of infection?

[Kluiber] Well, the danger always exists. Typhoid fever, scabs, and everything you can imagine was brought in here; I do not want to list them all now. We had these people treated. We fully observe the Kojal [Public Health and Contagious Disease Station] and health regulations. Bathing must be allowed every 10 days.

[Seres] Does that happen in practice?

[Kluiber] Hell, no. There is the hot water, that is, whenever there is hot water, whenever they do not destroy the plumbing, there is hot water every day....

Disciplined Guards

[Seres] One of the greatest grievances is that they do not get enough to eat. We have seen it ourselves that what they are given to eat would not be given in any camp.

[Kluiber] I do not know what else to do. Let us see, today is Thursday: They get 10,954 kilojoules of calories. Tea, butter, and honey for breakfast. Egg barley soup and pork stew with sauerkraut for lunch. Sir, it is possible when everyone, including you and myself, gets only one dish for lunch, that it is strange that it is cabbage soup, it is possible, I do not know.

[Seres] Are they not allowed to go, say, to take a walk here in the courtyard? For these premises are well guarded, there is barbed wire, and there are guards.

[Kluiber] They will now be allowed to go outside....

[Seres] They were not allowed until now?

[Kluiber] Sir, they have been allowed whenever the combination and mood of the guests did not have us expecting a breakout.

[Seres] Recently 30 people escaped from here. What has changed since then? You are still in place. Were the guards relieved, for instance?

[Kluiber] Those who were responsible have been disciplined according to the so-called service code. No one has been relieved. I will create the necessary conditions so that this will not happen again because of something for which I could be held personally responsible. As a result, you will find more bars within the building than previously....

[Seres] Have the conditions become stricter for those inside?

[Kluiber] Well, I allow free movement only within a specified area, in plain language, within the building. For the time being, this is the best I can do, no matter how much I try. We do not know, sir, we do not know. All that we jointly can do is at least to maintain the present conditions so that they do not deteriorate.

Hungarian Military Industry Called Nonexistent
 92CH0566B Budapest NEPSZABADSAG in Hungarian
 14 Apr 92 pp 1, 5

[Article by J.Z.G.: "No Hungarian Military Industry Yet"]

[Text] The scandal over the Pest Area Machine Works directed the public's attention to the Hungarian military industry. However, Jeno Laszlo, director of the Bureau of the Military Industry and titular state secretary, remarked in one of his statements that there is, in fact, no military industry in Hungary. The goal of his bureau is to establish this branch of industry.

Jeno Laszlo stated that at the moment there is no military industry in Hungary, but only firms producing military articles. According to the state secretary, one can talk about a military industry as an organic part of the Hungarian industrial complex as soon as one-third of the technical equipment used by the Hungarian Army is produced by Hungarian industries.

At the moment the percentage of such equipment is minimal, since the bulk of military equipment comes from the countries of the former Warsaw Pact. When asked about the Pest Area Machine Works, Jeno Laszlo asserted that this plant is not a military factory either; it merely repairs equipment for the Hungarian Army.

According to Hungarian defense doctrine, domestic production must be established on the basis of the technological needs of the army, since this is in the country's basic interests.

The first step in establishing this branch of industry will necessitate a familiarity with the most urgent technological needs of the Hungarian Army. This survey is expected to be finished by the end of this year. In Jeno Laszlo's opinion, the branch of industry which will be created in this way must be open [to competition], and at the same time the protection of defense interests must be assured.

Talking about the role of foreign investors, the state secretary pointed out that instead of capital investors, his bureau intends to assign a greater role to professional investors.

After the scandal surrounding the Pest Area Machine Works, a new storm is building around the Godollo Machine Works, a factory which is also important to the army because one of its tasks is to repair tanks. The directory of the Works declared in a statement that the future of the plant is uncertain because the previous guarantor refused to continue to act in this capacity after the firm's transformation. If the Godollo Machine Works fails to find a guarantor in the future, work must stop on 1 June and the work force must be laid off.

Jeno Laszlo declined to answer questions on the Godollo Machine Works, on the grounds of insufficient information.

Tamas Szabo: Bank Privatization To Continue
 92CH0566C Budapest MAGYAR HIRLAP
 in Hungarian 17 Apr 92 pp 1, 14

[Article by E.P.: "State Insurance Company Goes to Dutch Aegon—Tamas Szabo: Bank Privatization To Continue"]

[Text] The State Property Agency [AVU] held a press conference yesterday on the government's considerations of the privatization of banks and the State Insurance Company. As Tamas Szabo, minister without portfolio in charge of privatization, declared, in spite of voices to the contrary, bank privatization is to continue. Moreover, this year one or two banks will be partially privatized in the course of increasing their capital investment. The government has also adopted a strategy of privatizing banks largely owned by the state. On the basis of this strategy, the principal owner will make a decision on privatization, but every bank in question will be treated individually. Privatization must be preceded by a period in which the banks' portfolios are put into order, said Tamas Szabo, but he declined to say anything further on this matter, and he did not comment on how great the amounts are which the large banks still have outstanding in uncertain accounts, estimated by journalists to be 50-60 billion forints. Lajos Csepi [AVU director] later illuminated the background of this policy

to a certain extent by saying that if the agency is able to sell a bank with a bad portfolio, it will do so, but if it is unable to proceed in this manner, the state must step in. Answering an interjected question, he affirmed that a new guarantee by the state may also come into question.

The first steps in the strategy of bank privatization are designed to increase capital investment and not to sell the state-owned portion of the bank. A privatization partner will only come into question if this partner can supply the bank with fresh capital. The desirable new system of ownership would consist of a strategic investor (i.e., a professional partner), foreign and domestic institutional investors, and domestic small investors. It seems that the relative share of the various types of investors can be freely determined by the banks.

In order to carry out privatization, a new committee on bank privatization is being formed under the leadership of Tamas Szabo. Bank managements will also be asked to formulate their own concepts; however, disputed matters will be decided by the government, aided by a privatization consultant. By 1 May, bank managers will receive criteria for their own tasks, and the compilation of the entire privatization strategy is expected to be complete by the beginning of June. (On bank privatization, see also our editorial on p. 7.)

Concerning the privatization of the AB [State Insurance Company], Lajos Csepi explained that although the insurance company sent information to 14 possible partners, only one firm replied that it would be willing to join AB. It was the Dutch insurance company Aegon, a firm well known on the European insurance market, which finally acquired the business. The Dutch company brought fresh capital into AB, and it also bought state-owned portions of the company. Its share in the property amounts to 75 percent. The basic capital of the insurance company, thus, rose from two billion forints to 3.9 billion forints. Although the state's share of ownership was reduced to 20 percent (there is also a 5-percent ownership by the employees), the state received gold stock in order to be able to maintain its special input in the company's matters, but only for five years. The AVU underwrote an 800-million-forint guarantee in the event that, due to new legislation, the insurance company has to pay any certain company compensation for environmental damages. For similar cases the AVU has previously underwritten a guarantee of 10 billion forints, and it calculates that this year 3-4 billion forints' worth of guarantees will be cashed in.

State Audit Office Reports on State Debt

LD1505221792 Budapest MTI in English 1449 GMT
14 May 92

[Text] Budapest, May 14 (MTI)—At present Hungary's state debt stands at HUF [Hungarian forints] 1,750bn [billion], says the latest report of the state audit office.

Last year the debt grew by HUF 350bn, partly as a result of the state budget deficit of HUF 114bn and partly

because of the devaluation of the forint which added nearly HUF 240bn to the debt. HUF 760bn of the present state debt is the result of forint devaluations between 1982 and the end of 1991. For exactly this reason, however, this part of the state debt does not carry interest.

The bulk of the remaining HUF 990bn state debt carries 9 percent interest, that is 40 percent of the Central Bank base rate for loans borrowed before 1990 from the NBH [National Bank of Hungary]. A smaller part, borrowed from foreign governments or the World Bank, carries interest rates fixed in the relevant agreements.

Last year, the state budget paid the full Central Bank base rate of 22 percent on loans borrowed from the NBH. The role of state bond and treasury bill issues in financing the budget deficit is growing considerably. These papers carry annual interest rates of over 30 percent.

This year, HUF 172bn will be spent from the state budget on debt service. Capital repayment will amount to HUF 21bn and interest payment to HUF 151bn.

In the coming years annual interest payments will account for a growing proportion of the state budget expenditures because, from this year, the Ministry of Finance will not take out Central Bank loans to finance the budget deficit, but will finance the deficit through bond and treasury bill issues.

The planned budget deficit is HUF 70bn this year, but forecasts put the deficit as high as HUF 110bn by the end of the year.

It is not very likely that the income from privatization will make much impact on the state debt, Sandor Czirjak, vice president of the NBH, said at a press conference today.

There is no decision yet on how privatization incomes will be divided between reducing the state debt and financing the annual state budget deficit. The decision in the matter rests with parliament, Istvan Hagelmayer of the state audit office told the same press conference.

Impact of Budget Deficit on Social Benefits

92CH0532A Budapest NEPSZABADSAG in Hungarian
22 Apr 92 p 1

[Interview with Gyorgy Naszvadi, Finance Ministry deputy state secretary, by Maria Lakatos; place and date not given: "How High Will the Budget Deficit Be?—Modification of Law Not Yet Complete—No Word Yet on Reducing Social Benefits"—first paragraph is NEPSZABADSAG introduction]

[Text] We do not yet have exact data on the budget deficit during the first four months, but the trend is steadily downward, declared Gyorgy Naszvadi, the Finance Ministry deputy state secretary in charge of budgetary issues. It still does not seem possible to

forecast whether the more rigorous collection of taxes and tariffs can bring at least partial relief to the straightened budget. As yet, no reduction in social benefits is planned.

[Lakatos] How high is the budget deficit now?

[Naszvadi] It is impossible to tell at the moment, because, for instance, the advance payments of personal income tax were due on 20 April. We have no exact data on their amount. Another due date is 28 April. That is to say, exact data will only be available at the end of the month. One thing is certain: The trend is steadily downward and the deficit is growing.

[Lakatos] Then this year's budget will also have to be modified, although it seems this depends merely on the government's decision.

[Naszvadi] This is a great misunderstanding. The law on the state budget, which regulates all of these issues, has not yet been ratified, but at the time this year's budget was passed, the text of the budget stipulated that in a case like this a supplementary budget must be prepared. First, however, the government must do everything in its power to reduce the deficit. We have taken the first steps, but we cannot see clearly yet; the past few weeks have been too short to show how much the strict measures will reduce the amount companies owe the budget.

[Lakatos] Declaring bankruptcy deprives the budget of revenues, since the companies do not have to pay back their debts for three months.

[Naszvadi] Many people think that this is so, but it is only the debts made up to the time of the bankruptcy which do not have to be paid. We don't know yet how many demands by the state were "frozen" because of bankruptcy. The real question is, however, what the cause of the deficit increase is: namely, whether companies have not paid their taxes up to now, or whether the GDP and consequently the revenues from taxes will not reach the previously calculated level and, thus, the decrease will be greater than expected.

[Lakatos] If the second hypothesis proves to be true, the expenditures will have to be modified in any case. However, there are only a few places left from which money can be taken away. Mostly social expenditures could be considered.

[Naszvadi] We don't want to touch family allowances, maternity benefits, or pensions. But unemployment compensation must be controlled better, because many people work and collect unemployment at the same time. This must be prevented by all means. We need to reexamine certain contributions to institutions, and we could reduce amounts given to various foundations, although we cannot expect great savings from this. One can call this fiscal terror, but we have no choice: We cannot look on while the deficit grows.

U.S. Cable Bid for Budapest TV News Fails

92CH0561A Budapest 168 ORA in Hungarian
28 Apr 92 pp 12-13

[Interviews with Katalin Gergely, head of the Hungarian Democratic Forum's foreign affairs division, Istvan G. Palffy, an official of the Scola cable television, and Francis Laiba, president of the Scola cable television company, by Tamas Frei; place and date not given: "Consumption of Hungarian News Programs Abroad—Free Cassette for \$20,000—Emigres Are Out of the Picture"—first paragraph is 168 ORA introduction]

[Text] No country would fail to take advantage of an offer of free broadcast time by an American cable television network, especially if that network asks for only one thing in return: to deliver programs to fill the available time period. Well, there happened to be a country that failed to grab such an opportunity with both hands, and that country was Hungary. The Hungarian Democratic Forum [MDF] entered into negotiations with the American television network about delivering programs of the Hungarian Television, and wanted \$20,000 annually for the recordings and an additional \$100 per video cassette. Tamas Frei asked questions about this strange incident.

[Frei] "Show me a country other than Hungary, that receives an offer from an American cable channel for broadcasting its television programs in the evening prime time hours, and does not take advantage of the offer because it is unable to mail a damned video cassette." This quote comes from the internal, computerized message center of Hungarians in America. Lacking a Hungarian television program, Hungarians in America are hardly in the picture even though having a television program would help these days: Informing these people would not hurt at all, if the MDF achieves its goal and Hungarians abroad obtain the right to vote in the 1994 elections. This is yet another reason why Scola cable television network's offer to broadcast free of charge in the United States a half hour Hungarian program every day seems to be an outstanding opportunity. The only thing Scola asks for is that the Hungarian programs be mailed to them on video cassettes. The first such offer was made to the MDF in February 1991, when Nicola Verbovszki, a man of Hungarian descent residing in Switzerland and a friend of the television company's head, walked in to the offices of the MDF. No agreement has been reached ever since. What does Katalin Gergely, head of the MDF foreign affairs division, have to say about this?

[Gergely] Look, I am dealing with Hungarians residing abroad. This man did not just happen to walk in, he made an appointment and we received him.

[Frei] Why didn't you direct him to the Hungarian Television?

[Gergely] We talked at length with Istvan G. Palffy of the Hungarian Television, and discussed what he thought of this whole thing.

[Frei] And why didn't you discuss this, let's say, with the Television's foreign affairs division?

[Gergely] Well, I don't know. It so happened that we called Palffy to find out whether it was at all possible to record the television news programs and send those abroad.

[Frei] In the end, on what basis did you choose from among the television programs?

[Gergely] We did not choose anything. We have our own television staff, and they wanted to, or they would like to do this.

[Frei] When an American cable television network offers an excellent opportunity to Hungary to broadcast Hungarian programs free of charge, do you think it is appropriate...

[Gergely] Excuse me, not free of charge, there were some financial...

[Frei] ... that is exactly what I was about to ask, did you go so far as to ask them to give you money?

[Gergely] By no means, this is why we would have needed...in other words...there were some rather serious financial investments involved, and therefore we simply needed an entrepreneur to do this....

[Frei] But you did not find an entrepreneur, instead, you asked Scola to give you money. I have the fax message in front of me....

[Gergely] We did not ask for any money; we needed an entrepreneur to record these programs.

[Frei] My dear lady, forgive me, but I have the fax message in front of me in which you asked for \$3,500 to cover the investment, and thereafter \$100 for each and every cassette.

[Gergely] Don't you understand? We did not ask for that money; Laszlo Poros did. Didn't he?!

[Frei] Well, he is the MDF's public affairs man after all....

[Gergely] Yes, he is the one who deals with television matters on the public information committee.

[Frei] He sits in the room next door to yours. This is why I said "you."

[Gergely] But this is why I am saying that it was not the foreign affairs division....

[Frei] This is clear, but it is still the MDF....

[Gergely] In other words, it was requested by a professional....

[Frei] A professional, too, was involved in requesting money. Because regardless of what Katalin Gergely says, her signature also appears on the MDF letters sent to Scola, i.e., the two of them requested about \$20,000 for the MDF, in exchange for Hungarian—state—Television broadcast programs recorded on video tape. The fact that it took them more than 10 months to figure out how much to ask belongs in a footnote only. Thus, the MDF aspect of this case has been closed barely a month ago, when the American television company informed the MDF that it was not willing to pay for the programs, because they already incurred enough expenses by broadcasting the programs. Meanwhile, Scola also contacted the Hungarian Television; letters received by Elemer Hankiss were referred to Istvan G. Palffy. This is proven by the correspondence register maintained at the TV president's secretariat. Accordingly, here, too, the footsteps end up at the editor in chief of the Hirado news program, but he no longer recalls much of the events. Has the MDF asked you questions as to how to proceed in regard to Scola cable television network's request?

[Palffy] I regret to say that I do not recall those events, but I do not rule out the possibility that the MDF, or perhaps the Americans, have come to see me. Things are happening every day, even if those things are not similar to this case, so that it got lost in my memory, but I do not rule out the possibility that they contacted me.

[Frei] And are you aware of the fact, or do you recall, that the same television company has written to Television president Elemer Hankiss, and that he referred their letter to you, i.e., that in the end, Scola has reached you through that channel? Do you remember that?

[Palffy] I do not recall that, we receive sacks full of letters every day, so that this, in itself, means nothing. But it is virtually certain that we did not have specific contact, a program contact [as published]. I exchanged a cassette only on one occasion with an American Hungarian named Bela Bunyi, he is experimenting with satellite broadcast in Los Angeles.

[Frei] How do you view the situation, did the MDF act properly when it went so far as to ask money for the free of charge broadcast of Hungarian programs in the United States, or was this a bit too much?

[Palffy] Television programs are the property of the Television, i.e., no one else has a right to negotiate financial matters or other matters involving royalties.

[Frei] In the final analysis there is some contradiction here, or there is a conflict of interest, to say the least. Everyone is talking about the benefit of providing information to Hungarians living in America, since, conceivably, they, too, could vote in the 1994 elections. Isn't there an intent of this kind?

[Palffy] Yes, there is.

[Frei] On the other hand, the implementation of this intent is hindered by providing programs only if the firms willing to broadcast these programs pay.

[Palfy] Well, there is a contradiction, to be sure. It could be resolved if the Hungarian Television reached some kind of an agreement with, let's say, the World Federation of Hungarians, and the World Federation handled the distribution and ordering. This matter has an odd aspect. Programs we put together for consumption in Hungary, by Hungarians, are not always appropriate for broadcasting in places where viewers are interested in different things. I know that the cassettes they produce here under the heading "news reporting" are filled with Csardaskiralyino [operetta] and similar things. I do not mean to be deprecatory, but it should be obvious that neither Csardaskiralyino, nor any other similar entertainment piece would appear in a Hungarian news report here, in Hungary. One has to add such things for consumption over there, in other words, Hungarian programs are not quite appropriate [in America] unless changes are made.

[Frei] Scola cable television company president Francis Laiba is next in line. The question: What does he think of his adventures with the Hungarians?

[Laiba] We talked to the MDF and called the Hungarian Embassy in Washington, but we also maintained relations with the Hungarian Television. We received many promises, everyone, from the cultural attache all the way to the MDF, promised to send us programs, but this has not taken place. We got farthest with the MDF. There the subject of discussion included an agreement, but they wanted money. We were not willing to give them money. Scola is a nonprofit television company. We provide services, and I tried to make them understand that in this case we are the ones who give something, not the Hungarians, because we provide a free of charge opportunity for you to address Hungarians who live in America.

[Frei] And what was the response?

[Laiba] The MDF's response was clear and unequivocal. We receive programs if we pay, we do not receive programs if we do not pay. I told them in response that we could not afford making payments and so they disappeared. I have not heard from them since. We have relations with 40 countries from Yugoslavia to Japan, and thus far no one has asked for money.

[Frei] At the beginning of our discussion you mentioned that you have been in touch with the cultural attache of the Hungarian Embassy in Washington. Did your negotiations with him break off?

[Laiba] I saw him for the first time in February of this year, if I recall correctly. I sent him a fax message, then I repeated the message in March, then called him on the telephone. He appeared to be very enthusiastic and optimistic. It seemed that he wanted to help. Since then,

however—and I'm counting—23 days have passed, and he has not returned my call. Despite this, I am optimistic about Hungary.

Problems of Agrarian Reform Viewed

92CH0568A Paris *LE MONDE* in French 28 Apr 92
p 10

[Article by Yves-Michel Riols: "Difficult Agrarian Reform in Hungary"]

[Text] Tapioszentmarton—As in most small rural Hungarian communities, the 6,000 residents of the village of Tapioszentmarton live at their own pace. Only 70 km southeast of Budapest, the village was apparently spared by changes that have shaken the capital in the past two years. Here, transportation is mainly by bicycle, and horses are still widely used for field work. In contrast with most cities, no one has yet tried (or dared?) to touch the "outward signs of socialism": The church square still bears Marx' name and the people's center is on Red Army Avenue. Today as in the past, the main employer is the Cooperative of the Golden Hind, set up at the time of the last forced collectivizations in the early 1960's.

More than an employer, the cooperative sets the rhythm of town life with its soccer team and cultural center. As in most other villages in the country, the mayor and the cooperative president, the two pillars of local government, were reelected to their posts two years ago just after the first democratic elections on the national level. It represents a continuity in management, in contrast with the appeals for "purges" proffered by certain political leaders.

Even if Tapioszentmarton did not go to the trouble of changing its facade, it nevertheless lives in troubled anticipation of a radical change. A law passed by the parliament in January provides for the privatization of all agricultural cooperatives between now and the end of the year. In the meantime, the 1,200 cooperatives that work two-thirds of the country's arable land are involved in painful negotiations over the redistribution of land between employees, municipalities, original owners, and the heirs of those whose property was arbitrarily confiscated by the communists.

Triple Uncertainty

This monumental transformation, the most sweeping ever undertaken since the first postwar agrarian reform, is taking place against a backdrop of a triple uncertainty: a serious crisis of overproduction, an inevitable agricultural reorganization, and the conservative government's promise to "compensate the victims of the old regime" by giving them the possibility of buying certain land parcels from cooperatives.

Right now, it is the last point that concerns Janos Szabo, president of the Tapioszentmarton cooperative for the past 16 years. He received a circular from the Indemnification Office in February asking him to reserve 1,500

hectares of land for those with "compensation vouchers." However, he does not know how many persons will show up or whether they will want to rent the land from the cooperative or take it out of the system and run it on their own. "With a question mark looming over a third of our land, it is impossible to plan our activities," he says. "Furthermore, we are making no decisions beyond this year." All cooperatives face the same dilemma. Uncertain as to what to do, many farmers are not even planting crops. Throughout Hungary, orders for seed have dropped 70 percent in one year!

When they passed the new law on cooperatives in January, the deputies were not unaware of these drawbacks. Theirs was a double objective: to prevent a splintering of agriculture, which accounts for 20 percent of the GNP, by giving new legitimacy to the cooperatives, now based on the principle of the free association of members. However, this gradual dismemberment has already begun. An order passed by the last socialist government authorizes original owners still living to take back land incorporated by force into the cooperatives. These are essentially aged persons whose motives are more sentimental and "nostalgic" than purely economic.

The situation is particularly striking in Tapioszentmariton. For the past year, 152 former cooperative members have withdrawn only 165 hectares. With an average of 1.08 hectares per family, working such land is clearly not

a principal activity, but a means to help make ends meet. Furthermore, most of these retired persons have neither the means nor any desire to invest in the equipment and fertilizer needed to improve their land. The result: Nearly half of the land taken out of the system has now been put up for sale.

Scapegoat

"How can we pay back our loans and provide a living for all cooperative members with less land and dropping prices?" Szabo anxiously asks. For all farmers, production costs have shot up in the past two years with the increase in bank interest rates and energy prices. Moreover, Hungarian agriculture, which accounts for a quarter of all exports and employs from 10 to 15 percent of the active population, has been hit particularly hard by the collapse of CEMA and the drastic reduction in government subsidies.

Cooperatives are therefore planning for privatization while half of them are in the red. "Tension generated by the division of land will soon be secondary in the absence of auxiliary structures such as private distribution networks, banks, wholesale markets and Commodities Exchanges," observes economist Kalman Mohacsi. "It will be easy, but futile, to blame the old 'green barons' belonging to the *nomenklatura*."

Political Figures Evaluate Walesa Presidency

91EP0353A Warsaw GAZETA WYBORCZA in Polish
22 Apr 92 pp 8-13

[Statements by former and current advisers to President Lech Walesa, compiled by Jaroslaw Kurski: "The Leader—The Penultimate Chapter"]

[Text]

[Photographs and brief biographies of the personages cited in the following article, with one exception—a blank space in lieu of the photographs of employees of the Presidential Chancellery, who wished to retain their anonymity]

Lech Kaczynski

Walesa's associate ever since his release from [internment at] Arlamow. Vice chairman of NSZZ Solidarity. Senator, 1989-91. Following the resignation of Jacek Merkel, appointed to the post of minister of state for security at the Presidential Chancellery. Resigned in November 1991.

Jaroslaw Kaczynski

Since June 1989 a close associate of Walesa and press spokesman for his presidency. Editor in chief of the weekly TYGODNIK SOLIDARNOSC. Founder and leader of Center Accord. Senator, 1989-91. Sejm deputy since 1991. From December 1990 until November 1991 head of the Presidential Chancellery with the rank of minister of state.

Grzegorz Grzelak

Associate of Walesa during 1980-81 and after his release from Arlamow. A leader of the Young Poland Movement, now the Republican Coalition. Secretary of state for local governments at the Presidential Chancellery (from February until November 1991).

Jacek Merkel

Associate of Walesa ever since the martial law era and director of his electoral campaign. In December 1990 appointed to the post of minister of state for national security. Suddenly dismissed in March 1991, chairman of Solidarity Bank.

Arkadiusz Rybicki

A leader of the Young Poland Movement, vice chairman of the Republican Coalition. During 1983-88 secretary to Lech Walesa, member of his electoral staff. In December 1990 he became political adviser to the president, with the rank of undersecretary of state. Resigned in October 1991.

Krzysztof Wyszowski

Cofounder in April 1978 of Free Trade Unions, which soon afterward was joined by Walesa. TYGODNIK

SOLIDARNOSC reporter. In October 1991 was one of the first to publish an article revealing the "power of the presidential favorites."

Jerzy Milewski

Since July 1982 head of the Foreign Coordination Office of NSZZ Solidarity. In February 1991 he was appointed head of the National Security Office. Following the resignation of Lech Kaczynski, in November 1991, he became minister of state for security at the Presidential Chancellery.

High Official at the Presidential Chancellery

Stands for persons who desired to remain anonymous.

We Were With the President

Krzysztof Wyszowski: I was greatly mistaken in my assessment of Walesa. Had I known what kind of president he would become, I would not have participated in his electoral campaign, which does not mean that I would have supported Mazowiecki: I would remain neutral.

Jaroslaw Kaczynski: Even before Jaruzelski's election to the Presidency, I worked in Gdansk as a KKW [(Solidarity) National Coordinating Committee] secretary, and already then I had a front-seat view of Walesa's struggle for the Presidency. I had no doubt that that was his immediate goal.

I wanted Walesa to be experimentally elected by the National Assembly rather than by popular vote, so that his term would be short and, were he to prove himself, he would have a chance to win the popular vote. Were he not to prove himself, or were he to lose the elections, either he would lose the elections, or a parliamentary-cabinet system with a Presidency of limited powers would be constructed. I always thought that Walesa would come to power, either by the road I proposed or through popular vote or at the head of a popular rebellion.

This last possibility was not unlikely. Consider a charismatic and world-famous politician standing outside the political system who would say, "Once I begin to rule, things will get better." No government would withstand him. To me it was obvious from the outset that Walesa could not be ignored on our political scene.

High official at the Presidential Chancellery: I am dividing Walesa's political career into two stages: before and after his election to the Presidency. During the first stage he had deserved the name of national hero. During the second he has been displaying confusion and ignorance as to what to do with his victory at the polls. Walesa lacks elementary knowledge of the nature and functions of the government, knowledge he had not needed before his Presidency, and this is the problem today. The president cannot be a man who has not headed an organization in the strict sense. But Solidarity

has never been strictly speaking an organization: It was a popular movement. Walesa has always been a leader, never the head of an organization.

Grzegorz Grzelak: I do not regret having voted for Walesa in the presidential elections. He was a man who, in view of his standing and political background, was best fitted to lead the country in the direction of privatization, a market economy, and stronger local governments. Unfortunately, he did not exploit this opportunity. If I am disappointed in the president, it is in the sense that in 1991 he failed to tilt the balance by utilizing his authority to promote changes and instead dissipated his energies on random political games.

High official at the Presidential Chancellery: The government in Poland did not become stronger when Walesa became president. Immediately after his election two concepts of the Presidency were considered: retention of the existing model, of course with some personnel shifts, or a fundamental restructuring as in the American model. The plan presupposed winning over the best individuals to the president's side and forming a shadow cabinet. However, implementing this plan would demand of Walesa hard work, talks, consultations, whereas he cannot tolerate nonspectacular meetings with persons who are temporarily insignificant and prefers to focus on actual political life.

Grzegorz Grzelak: The Presidency should be a constructive office, but Walesa remains as combative as ever and keeps fighting his own establishment. Hence the need for "buffers," for a minimum survival program. When one is president, one should think in terms of historical responsibility, and from that standpoint what matters is not whether Walesa will stay in power, but whether and how he will lead the country through a period of difficult structural changes.

A Stock Exchange Dealing in Lost Opportunities

Jaroslaw Kaczynski: On becoming president, Walesa had the opportunity to head the restructuring process, to reestablish, on new terms, on the principle of a coalition of forces rather than on the basis of a shammed unity, the camp favoring changes in Poland and to inspire these changes with a new dynamism. He failed to exploit this opportunity. He became involved in strange games consisting in shoring up his personal influence and preserving the old communist system in, among other places, the military.

Krzysztof Wyszowski: When the president, the commander in chief of the armed forces, stabilizes and strengthens old communist arrangements in the military and defends Kolodziejczyk and Wawrzyniak, this means that he reneges on his own calling.

The stubbornness with which he is breaking up the political scene is a consequence of his radical failure to understand the nature of government. "The state and I," Walesa thinks—and to him both are equally important, or perhaps even "I" counts to him more than Poland.

Grzegorz Grzelak: Seen from the historical point of view, time has been lost and this era will be assessed negatively. I fear that we may lose yet another year. I resigned my office not because I was ordered to do so by Walesa but because I lost the hope that I could promote, by exercising the duties of my office, the grand reform which this country needs too badly and to which the president should have become wholly committed. Besides, I had no rapport with him.

A Balance Sheet for the Last 16 Months

Krzysztof Wyszowski: The one and a half years of Walesa's Presidency have not proved constructive in any way.

In the social dimension they were a total disaster. It had seemed that Walesa was the strongest of all, that there was nothing he did not know already. But the president did not unite the society and failed to move it toward new goals. At most he only talked about it, but it was words, not deeds, and this tried the patience of even simple persons normally most susceptible to his rhetoric.

In the economic dimension the results have been less than zero: destabilization, notions of 100-percent price reductions, of distributing 100 million zlotys apiece to everyone, and slogans such as "Fix up your own factories."

In the field of foreign policy, nothing has been accomplished, despite such favorable circumstances. We are being borne by the wave of history in a good direction, and for the present that seems enough. But the reality is different. We shall yet have to pay the price for our inertia, mistakes, and passivity. Here, Walesa has not accomplished or conceived anything. He has kept procrastinating. The initiative for the Vysehrad Triangle [trade partnership among Poland, Czechoslovakia, and Hungary] did not come from him, although clearly it was supposed to be Poland's duty. Likewise, he has been a failure so far as relations with Lithuania, Russia, and Yeltsin are concerned. His attitude abroad simply humiliates us. When even a person like Geremek declares that Walesa is compromising Poland, this means that it can no longer be kept a secret.

It is in the political dimension that the disaster is at its greatest. The aim should be, but is not, to strengthen and stabilize the state. The theory of helping the weak (cutting down to size those who grow too much and pulling up those who fall) and the theories of [rightist and leftist] "legs" [factions of Solidarity] serve to mask consistent measures to disorganize and destroy political life. The gestures toward the communists and the OPZZ [All-Polish Trade Unions Agreement] are historic, but in the sense of deviations from fundamental values.

Jerzy Milewski: The newspapers talk about the crisis of the Presidency, but I perceive no such crisis. I view the Presidency positively and consider that it is only the beginning. A major accomplishment of the president is the consistent striving to perpetuate this institution. I

firmly believe that toward the end of Walesa's term of office, the stability of the Presidency will be strengthened.

Poland needs a leader, a number one who would point in the direction to be followed. Such a person should be the president. In my opinion, Walesa is fit to be the president and I believe that, during the period of transition from communism to democracy, he is the best president we could have. Besides, he should have been elected earlier, immediately after the parliamentary elections last June. The election of Jaruzelski was a mistake that derailed the beginnings of the rebirth of democracy.

Jaroslaw Kaczynski: Walesa established in the Belweder [presidential palace] a center which is not fit for governing the state. To be sure, his actions at present are not directly leading to a disaster, but they are lowering the authority of the Presidency, causing confusion, and hurting democracy. The president is not utilizing his office to promote the reforms. He keeps saying that he intends to do so, but his reasoning on this issue is at the level of a factory team leader. The fundamental weakness of the president is that he has lost his former knack for cooperating with competent and politically savvy individuals. Nowadays flaws in his character that formerly used to be unimportant owing to that cooperation are coming to the surface. His lack of education and sophistication casts a shadow on his Presidency. To be sure, he has kept his knack for perceiving the alignment of political forces, but in this respect too, he is making mistakes. Example: Yanayev. His lack of political and moral support is causing the president to become a negative factor instead of inspiring and promoting restructuring.

Jerzy Milewski: The president shoulders the constitutional responsibility for national independence, sovereignty, and national security. He is the commander in chief of the armed forces and chairs the National Security Council [formal appellation: Committee for National Defense]. Unfortunately, executive powers supporting a proactive approach to these responsibilities remain undefined to this day. This is a defect in legislation. The president is therefore responsible for matters over which he has little influence and concerning which his powers are unclear because they have not been spelled out in legislation. That also is why, when he takes action, hostile voices are heard that he intends to bypass the parliament and exercise strong-arm rule for which he is not legally empowered. And contrariwise if he does not intervene in some or other issue, he is being criticized for his passivity.

High official at the Presidential Chancellery: Walesa has failed to acquire new skills, and his old skills proved unsuitable. His character traits make him unfit for the Presidency. He is himself aware of this, and that is why he is so hostile toward Aleksander Hall who stated it publicly. Walesa keeps saying that he can talk with Mazowiecki, but without "the traitors, Hall and

Konopka." Hall struck at his weak spot. He said something that Walesa is aware and ashamed of.

The Loneliness of the President

Arkadiusz Rybicki: Having failed to cope with the problems confronting him, Walesa got rid of those members of his immediate entourage who were politically important and asked difficult questions and criticized his various moves. Walesa became fossilized, grew a firm carapace, and surrounded himself with yes-men. He isolated himself from his advisers, because they forced him to make efforts of which he was not capable. This is the loneliness of one who senses a disaster coming. In such a situation it is easier for him to declare that nobody understands his plans and the power elites are proving unreliable. He has forgotten that he himself is the elite of elites.

Walesa's associates now have to rely on the telephone to be in contact with him. He telephones them when he needs something, but to reach him by telephone one has to breach the protective wall of yes-men and bodyguards on whom rests the final decision as to contacting him, and who, being unfamiliar with politics, are creating political facts.

Jerzy Milewski: Walesa deliberately did not build up a presidential party of his own. Such a party could have arisen on the basis of citizens' committees had he agreed to it. But he believed and still believes that he should be a suprapartisan leader and president. In this sense he has indeed isolated himself. He desires the support of the majority of the society instead of any single grouping. He has chosen the more rocky road.

The president lacks a team of permanent advisers with whom to hold regular meetings. But this does not point to his isolation. His contacts with others, with the outside world, are lively and intensive. He meets often with both supporters and opponents, not to mention his meetings with parliamentary caucuses of deputies or editorial staffs of newspapers. This is the Walesa style—the same as when he used to be the chairman of Solidarity.

High official of the Chancellery: The television and radio are on, full blast. When Walesa speaks on the telephone, he talks softly, not into the handset but into the push-button console while at the same time viewing the TV screen and listening to the radio. This is destructive to all contacts and the conversation produces no results even though it was held. This is done deliberately: the president avoids having to make decisions.

Grzegorz Grzelak: It used to be Walesa's forte that he knew how to work with individuals representing the highest political level. Nowadays he is alone. Among the seven or eight most important Polish political parties I cannot find any convinced supporter of cooperation with Walesa who believes that the latter is the foundations on

which Poland's future shall be built. In this sense, the office of the president has for the time being been forfeited.

Jacek Merkel: More than 4 billion zlotys [Z] remains in Walesa's electoral campaign fund. I thought that it should be spent sensibly and, together with Jerzy Kobylinski, my deputy campaign chairman, I wanted to use it to establish a foundation for stopping the brain drain and keeping in this country gifted young people who would be identified by means of contests. The authors of this idea were the sociologists and psychologists working with our campaign committee.

We went to the president to acquaint him with this project and obtain his approval. Walesa bade us to be seated in armchairs. Before we even began to speak, he jumped up, crying "Tele-Express [program]!" He turned up the volume full blast on the television so that I found it difficult to shout out the announcer. We accomplished nothing. Jurek [Kobylinski] was upset when we were leaving. It was then that he, a major fellow contributor to Walesa's success, decided to return to Gdansk. Afterward I learned that the president left to the Reverend Cybula the decision on what to do with the campaign fund.

Krzysztof Wyszowski: Some of Walesa's actions have become kind of autistic. It seems to him that he is doing something. He repeatedly speaks of, e.g., the EC or NATO. He becomes self-absorbed and thinks that others perceive the smoke that he is trying to emit. But he himself is transparent to others and it is evident that the emperor wears no clothes.

Jaroslav Kaczynski: Walesa is ill with a pathological narcissistic love. The words he most often says are "I" or "the president." "I" did it, "I" foresaw it, "I" warned against it. I cannot tell what is the prime mover of his public activities, self-love or something more.

Without a Plan

Arkadiusz Rybicki: Walesa could have rallied round himself a broad base of support for the reforms. But this would have required a clear vision of the goal and plan of action, identification of the most important Polish issues, and consistency in resolving them. Nowadays even the closest of his associates have problems in perceiving the direction in which the president is moving.

Walesa did not want to be a slave to any plan. He did not believe in planning. Communism collapsed without a plan, as did the Berlin wall. It is difficult to oppose such arguments. He was unmoved by the fact that the pope or Mrs. Thatcher follow plans for several hundred days ahead. He said, "Only the good Lord knows what I will be doing tomorrow, so how can I tell what I will be doing in a year?" The lack of a timetable to be followed for the next few weeks has been a major weakness of the government during the period when I had served in it.

The press spokesman's explanation that the president has 10 solutions to every problem means that he has no solution whatsoever. Everybody knows that Walesa is not a patient man, that he acts on a notion faster than he thinks it through.

Jacek Merkel: Walesa had every opportunity to become the author of several major national undertakings that would secure his place in history. He had considerable voter support, international prestige, his own political camp, associates, and, had he wanted it, even the support of the opposing camp.

As the Solidarity leader and Nobel Prize winner, Walesa is already a historical figure, but he could have brought Poland into the EC and NATO and formed a modern military...had he followed some scenario for the actions of his government, clearly formulated goals. Walesa cannot act in accordance with a plan, though that is an elementary requirement for governing. Tactically, in day-by-day ad hoc actions, he is extremely adroit. As he put it himself, every day he accumulates so-called good deeds and the Holy Virgin channels them in the right direction. A president should be a strategist, but extemporizing tactics is Walesa's strategy! This contributes neither to his prestige nor to the prestige of the state.

The Daily Life: *Divide et Impera*

Arkadiusz Rybicki: The absence of specific goals, the continuing tension, and the identity crisis upset Walesa's equilibrium and turn everyday activities into a nightmare. Walesa shouts, tells people to get out, does not listen to others. He feels that the situation is too much for him. That is why I believe him when he speaks of wanting to resign, of not enjoying his Presidency. When his comments to the press are considered, this nightmare is evident in every statement affirming that the last 15 or so months [ever since he was elected president] have been the worst period in his life. "I don't want to but I have to"—this statement reflects a genuine inner contradiction.

Jacek Merkel: At the Belweder the prevailing belief is that the so-called hook [having something on everyone, knowing dirty little secrets] is the instrument for exercising power. Whoever has the hook, he has power. Whoever has more hooks, he has more power. This principle is universal, and therefore hooks are being accumulated on Walesa himself too.

As early as in the martial law era, Walesa followed the principle that it is better to tolerate a known informer in his immediate entourage than to remove him and be ignorant of the identity of his successor. I thus guess that it would be convenient for the president to have in his entourage a known, say, KGB agent, with documentary evidence to boot. I did not provide him with this convenience. I do not know and do not want to know why Walesa rendered his cooperation with me impossible by posing to me a number of absurd tasks. Accusing me of disloyalty is a reaction to my having opposed actions not based on any clearly formulated plan of

statecraft. The point was to get rid of me. Besides, to speak not of myself alone, the very idea of dismissing loyal and competent subordinates is disturbing.

Jerzy Milewski: Several months after Merkel's dismissal the president offered to nominate him to the position of a civilian minister of national defense. But Merkel declined the offer because he was bound by the terms of his contract as the chairman of Solidarity Bank. Had the president been having some reservations about his loyalty, he would not have made this offer to him.

Krzysztof Wyszowski: Those who know Walesa are aware of the liberal manner in which he treats national interests. His punctuality is merely a cover for doing nothing. Walesa keeps referring to his exhaustion, his long hours of work, etc. All this is pure mystification. The Belweder is "closed," meaning that it is effectively concealing the fact that nothing is being accomplished there, that there is a vacuum there that has to be filled by sham deeds. For example, the recent concept of Poland's becoming an associate of the EC and NATO is typical escapism, a typical rhetorical device for covering up total passivity. The chickens are now coming home to roost, and this cannot be glossed over.

Grzegorz Grzelak: Undoubtedly, Poland's political accomplishments also reflect Walesa's personal accomplishments. In Walesa's personal interests are so intertwined with public interests that it is difficult to say which comes first. Of a certainty, however, he would not be content with a good personal image in the presence of festering national problems.

A Competitor?

High official at the Chancellery: From the beginning Jaroslaw Kaczynski had been proposing to Walesa a challenging but dangerous game in which there could be only victory or defeat, no stalemate—building together a coalition against the [Democratic] Union, that is, against the majority of the intellectual elites. Walesa was terrified. As known, it would be he and not Kaczynski who would bear political responsibility for any defeat. Kaczynski was concerned with dividing public opinion into several significant segments.

Kaczynski's gamesmanship displayed an element of risk-taking, but it must be admitted that his political analyses were extremely lucid. The idea was to dissolve the Senate on the pretext of, say, declaring new electoral rules [under the Polish Constitution the president has the right to dissolve the parliament upon certain conditions]. That would result in dividing public opinion into Walesa's opponents, who would rally round Democratic Union, and a center-right or Christian-Democratic presidential camp, and in the consequent polarization into two major forces that would clash in the elections and subsequently in the Sejm.

Kaczynski is intellectually superior to Walesa, who relied on him for new ideas. He was difficult to convince, being a man of character and holding definite political views.

He did not listen to Walesa. Subordinates obviously should listen to their superior. If a political plan exists, individuals who fit that plan are selected. But there was no plan, and so it was difficult to submit political declarations of loyalty. Nowadays Walesa has an entourage which, in a sense, has declared "in the dark" its loyalty to Lech Walesa rather than to Poland or to political goals. Kaczynski was unsuited for this.

Jaroslaw Kaczynski: Walesa showed irresolution in advancing forward the date of elections and having good electoral laws passed. In this matter our side was in the right. It was we who had imposed on him in this matter a struggle that had to be waged consistently until the end, until the dissolution of the parliament if need be. An attempt by the parliament to pass idiotic electoral laws would have been a good rationale for its dissolution.

Lech Kaczynski: My brother and I had the idea of dividing the Solidarity camp into two opposing political blocs. Walesa supported this idea and began to speak of the need for two legs, one right and one left. We established the Center Accord, which prompted the formation of the ROAD [Citizen's Movement-Democratic Action]. But that was not the end of it to Walesa. He cried in favor of a third, a fourth, even a seventh "leg," and at a certain moment we reached the conclusion that he was going to do everything in his power to maximally fragment and differentiate the political scene, because that was to his advantage. Walesa proved to be a loyal partner of our concept for only the first six weeks. Afterward he tried to prevent the Center Accord from becoming a major force. In mid-1990 about 20 regional citizens' committees wanted to join the Center Accord, but he blocked them from doing it.

And this is characteristic of Walesa: At the time Jarek [Jaroslaw Kaczynski] kept pushing toward the goal, which does not mean that he was a threat to Walesa, who, however, at once sees a competitor in anyone who attains an independent position of his own.

High official at the Chancellery: Whatever else may be said of the Kaczynski brothers, like the accusation that they are plotters and conspirators, nobody will deny that they work hard. They burn midnight oil and do their job. While Jaroslaw Kaczynski was the head of the Presidential Chancellery, it performed well like some Swiss clockwork. Nowadays work at that office is stagnating and unresolved matters are piling up. The new head of the Chancellery is Ziolkowski, but actually it is administered by Wachowski.

An Apology for Boorishness

High official at the Chancellery: Walesa in Warsaw felt like in a snake pit. He perceived the hostility of the intelligentsia and feared the former *nomenklatura*. He believed that unscrupulous individuals would be most suitable. An intellectual would knock at the door thrice before entering—and would not get anywhere. A boor will enter first and knock later.

Even Walesa's press spokesman [Drzycimski] declared on the radio that the times are such that we need boorish, literally boorish politicians. He elevated boorishness to the rank of virtue. People like Wachowski and Drzycimski can always be fired without the least qualm. Courtiers are aware that any day now could be the last day of their career. Such are the rules of the game, which they accept fully. Drzycimski holds forth that whatever is happening at the Belweder is *raison d'etat*—even obvious gaffes.

Krzysztof Wyszowski: Walesa, who shoulders the onerous burden of having to do good, is inclined, and feels a need, to gather round him individuals who represent pragmatism, cynicism, baseness, and evil—in a word, the contraries of good. He is to be a charismatic leader focusing on the materialization of ideas, but he has also a particular psychological makeup and is a person concerned for his own, personal gain. Someone must handle financial matters for him. Therefore, he has to be surrounded by persons loyal to him who depend exclusively on him, because without him they are nothing. They cannot be politicians or individuals who could betray him in one way or another. They have to be his veritable slaves, so that, by deriving personal advantage from being associated with the president, they could also be advantageous to him. This mechanism results in attracting a growing number of persons of doubtful morality and creates a crime-breeding climate within the president's entourage. Still, to surround himself with such people is an essential psychological need for Walesa.

A Game of Musical Chairs at the Court

High official at the Chancellery: The Reverend Franciszek Cybula lives in the same place as the president. Minister Wachowski and Press Spokesman Drzycimski are practically never away from him. This is dictated by mutual interest. Walesa, away from his family, feels lonely and lost. He looks for support and company. Those persons in turn fear losing control over him should somebody in their absence question their qualifications. Thus, Walesa walls himself off from the world by means of two barriers: inward escapism and the cordon represented by his entourage. As a consequence, his immediate entourage shapes his view of the reality and selectively controls the access of information to him. Such loyalty and intimacy verging on abject servility is fertile ground for intrigues and manipulations.

High official at the Chancellery: Walesa is aware of his own situation. He perceives Poland's dramatic situation and is incapable of remedying it. He receives daily reports on the state of the nation. But, for example, to him reviewing press articles means reviewing articles on Lech Walesa. The information he is presented with includes both important matters and excerpts from the most moronic provincial press, his caricatures, etc. He reads stuff about himself and has no longer enough time to familiarize himself with important reports. He feels embittered when the press criticizes him.

High official at the Chancellery: The courtiers are aware that outside they are considered mediocrities. They know who and when criticizes them, and they keep each other informed about it. At other power centers in the world the situation may be similar, but in the Belweder power reduces solely to power itself, to a constant struggle to preserve one's place in the hierarchy of power.

Jaroslaw Kaczynski: I was not in daily contact with the president. After discussing with him some issue or other, I would leave him, even though he wanted to include me in his "court" and maintain an office in the Belweder. I was not interested. At first I had thought that Arkadiusz Rybicki was the president's closest adviser there. But once he quit the Belweder, my continued presence would have been degrading to me.

High official at the Chancellery: The president's men have no opinion of their own, but they are skilled at fitting themselves to every situation. They are capable of criticizing the president for a poorly knotted tie, but not for his mistakes. They are unwilling to squelch his half-baked or erroneous notions. Normally, personnel selection for such posts is very discriminating. Walesa's men are aware that they happened to work in the Belweder quite fortuitously. They believe that, since they hold highly important posts, they do not have to bear elementary decency in mind. They exercise in a deplorable manner duties of offices which should be model ones. They do not contribute to the prestige of the government. At the Belweder, folk proverbs are believed in with the exception of one, namely, "A fish starts to spoil from the head."

Jacek Merkel: A decisionmaker should have competent associates and subordinates who would suggest to him suitable solutions and bring documents ready for signing. Otherwise everything begins to become a farce, as in the case of the appointment of Jerzy Milewski to the post of minister of state for national security, or as in Brzechwa's poem, "It Is Burning."

It happened when the Kaczynski brothers and Maciej Zalewski were leaving the Chancellery. Jerzy Milewski was summoned to the Belweder and received there by Minister Wachowski, who conferred on him his appointment, formulated so as to entrust him with the duties previously exercised by Lech Kaczynski. Milewski asked, what about the post of secretary of the KOK [National Defense Committee]? "They will be ready in a minute. They bring the horse, but it has not been shod." And Wachowski asked, what secretary? What KOK? Then Milewski gave him a short lecture on the law, the Constitution, the procedure, the president...and the secretary of the KOK. "Who is he?" asked Wachowski. So Milewski continued his lecture, this time on history, naming Merkel as the successor to some communist general, and then naming Zalewski, although no one had ever seen his letter of appointment. Well, was he or was he not? It was a mystery. "The blacksmith should be summoned at once; the fire in the forge is roaring." Wachowski swells up with anger. Walesa, furious, is

waiting in his office, because it is Friday afternoon and he wants to fly to Gdansk; his plane is waiting at the airfield, with the engines revved up. "When the pump is broken, the problem is big. Water flows into the barrel and the barrel is leaky." Wachowski lifts the telephone and calls the Chancellery. "Was Zalewski appointed?" "Don't know." "Find Zalewski at once. Send a car for him." Time is passing. Zalewski is nowhere to be found. "Too bad. This happens to any barrel. Better call the barrelmaker quickly." Walesa gets more and more furious. Finally, Zalewski is located. He asserts that he is the secretary. A letter of recall and another of appointment are rapidly prepared. Walesa signs both it and leaves for the airfield. The Polish state is fortunate: It now has a KOK secretary.

Jaroslav Kaczynski: Wachowski once asked me to intervene with Walesa in order to have him and Drzycimski appointed as secretaries of state. He wanted me to do it, "as a kind of a peace treaty" with me, while at the same time threatening that he could get the appointment on his own anyway. I went to Walesa to voice my objections. He said, "You are funny: So they are to be secretaries of state? Hah." Yet several months ago they both got these posts.

High official at the Chancellery: I know that Wachowski asked Kaczynski to help him and Drzycimski get promoted. When Kaczynski refused, several months later they wrote themselves letters of appointment and got Walesa to sign them. There were many reasons why they wanted to get appointed to these posts. For one thing, Drzycimski thus became the official superior of Rybicki, and Wachowski the official superior of Krzysztof Pusz. Secondly, the promotion entitled them to a large official apartment. To this end standard apartments at 102 Sobieskiego Street are now becoming converted into duplexes.

Jaroslav Kaczynski: Walesa's judgment of human motivations is flawed. His feeling that everyone in his entourage is keen on personal gain and promotion sometimes results in amusing situations: If he wants to penalize someone, he threatens, "You will get nothing for half a year." Walesa knows that in present-day politically unstable times half a year is like an eternity. But on the other hand he does not realize that there are people who follow other goals in their lives.

The Butler's World

Jaroslav Kaczynski: Nowadays my assessment of the Presidency is extremely critical. I did not expect everything to be hunky-dory but I had not thought that things would be as bad as they are now. I did not foresee Wachowski.

Lech Kaczynski: Wachowski is an influential personage and his role in the government is huge. He is also dangerous and capable of anything. His presence in the Belweder is an insult to the country. He is trying to gain influence in, and entrap in a fine-spun web of underhand arrangements, those domains of public life which he

considers essential, and his judgment about their nature is not mistaken. In other words, the armed forces, the special services, the Eastern policy, and, more recently, the banking system.

Jaroslav Kaczynski: I am not denying that it would be difficult to prove that Wachowski is a major threat to this country. Certain information has unfortunately to be accepted on faith. Wachowski is secretive. I am referring chiefly to events for which there are eyewitnesses. Thus there was the excision of passages from Walesa's speech in Brussels, or the frequent presence of Admiral Kolodziejczyk in Wachowski's office. A person who has never been to the Belweder cannot be aware that Wachowski is playing a dangerous role.

Already the very fact that someone who is hardly known at all, whose background is strange, and who lacks the political and professional qualifications, has become a secretary of state and one of the most influential individuals in this country, is to say the least, disturbing.

Major accusations have been made concerning Wachowski, but I have never obtained 100-percent proof of them. Many clues are provided by a study of his background, especially from the moment he first had appeared with Walesa in 1980, and of his character traits. There also have been various signals from other countries.

Let me state some facts until now concealed from public opinion.

Wachowski is at the center of clandestine military networks, including those in the special services. He is also in cahoots with the Ministry of Internal Affairs, especially with General Weinert, the commander of the Vistula units of the Internal Security Corps [KBW], whom he tried to appoint the minister of internal affairs. As known, the KBW is the last surviving rampart of the [communist] regime. Its officers had been selected even more carefully than the officers of the old Bezpieka [communist Security Service]. It had been assumed [by that regime] that in the event of a crack in the Bezpieka the KBW was to be the military formation of last resort combatting the mutinous populace and the mutinous armed forces.

Weinert is a general of the old communist pedigree. His cooperation with Wachowski has acquired various forms, of which the most innocuous was the renovation of the Belweder by KBW personnel in return for the so-called daily meal ration, which turned out to be very inexpensive. Weinert has often visited with Wachowski, who has repeatedly defended him like a lion before me and before Walesa. When Wachowski began to try and get the portfolio of minister of internal affairs for Weinert, upon questioning on every occasion the qualifications of Minister Majewski, everything began to fall into a logical whole. For then Weinert would be the second, after Kolodziejczyk, communist minister dependent on Wachowski. Fortunately, his maneuverings ended in failure.

In the past, when entering the Belweder I often saw hanging in the coatroom the characteristic hat and insignia of an admiral. I had no doubts that they belonged to Minister Kolodziejczyk. After all, we do not have many admirals in the Polish navy. At first I had thought that he was visiting Walesa, whom I was going to see, and I even feared that his visit would prevent my seeing the president. After awhile, however, I realized that Kolodziejczyk was visiting with Wachowski.

For a long time Wachowski incited Walesa against the idea of the [Poland-Czechoslovakia-Hungary] Triangle, and specifically against Havel and the Hungarian Premier Antal. Then suddenly he changed his mind. I had thought that this was prompted by Walesa but later I found out that this was due to Wachowski's influence.

In brief, Wachowski has been exerting an extremely adverse influence on fundamental national policy issues. What is worse, this not because he is some uneducated simpleton. On the contrary, there is a certain pattern of forethought to it, which makes me very suspicious. Were I to deduce Wachowski's motives from his actions, I would say that this concerns preserving the communist system of power brokering and obstructing a policy of rapprochement and stronger ties with the West. His acting in these directions has been more than explicit.

High official at the Chancellery: Wachowski is, strangely, very familiar with the language understood by the people of the former "apparat." He knows how to make veiled threats and unspoken hints which alert the former apparatchiks. "The power in Poland belongs to the president, and it is the president's will that this or that...you know, you understand," he says.

Lech Kaczynski: Wachowski has been practicing the technique of "successive mowing down" on Walesa's former associates. The first to be fired was Krzysztof Pusz, followed by Arkadiusz Rybicki. As regards me and my brother, he had repeatedly proposed to us deals which, for fundamental reasons, we turned down. Besides, as a rule, he does not keep his word. He openly admitted that he was going to decide who would go and who remain at the Chancellery. He repeatedly referred to "the president's will, although it remained unvoiced. He displayed an unusual self confidence. I cannot account for his phenomenal career. He had returned after seven years, in November 1990, and within a couple of weeks he became Walesa's number one. He has since been in almost uninterrupted contact with Walesa, and with the latter's family as well. I think that his demonstrative devotion and uncritical servility satisfy Walesa's psychological needs."

There are matters commonly known at the Chancellery that are immeasurably difficult to prove. Minister Wachowski was only once caught by Pusz in the act of extorting and appropriating \$3,000. But the president made him return the money and therewith the matter ended.

High official at the Chancellery: In December 1990, Wachowski, referring to a nonexistent will of the president, extorted \$3,000 from S.M., the representative of E.P., an American millionaire of Polish origin who was friendly with Walesa. In his conversation with S.M. Wachowski claimed that the president was in a poor financial situation and, therefore, on his behalf, he was requesting \$50,000 annually for the upkeep of the president and his family. He received the \$3,000 as the first payment. Feeling upset, however, S.M. notified Pusz, who then contacted Jaroslaw Kaczynski, who in his turn mentioned the matter to Walesa. Wachowski was ordered to return the money, without being otherwise penalized in any way.

Lech Kaczynski: Wachowski's appetite was growing the more he consumed. I assume that initially he had wanted to remain an influential chief of staff to Walesa, but later he concluded that he could attempt to seize control of the Chancellery. I fear that the Wachowski problem is being trivialized by the political elites, apparently on the principle that since the Kaczynski brothers contend that Wachowski is a threat to the country, this cannot be true.

Jerzy Milewski: I am unaware of any unorthodox deals arranged by Minister Wachowski according to Jaroslaw Kaczynski. I do not know of any. Secretary of State Wachowski is Walesa's chief of cabinet, and hence he organizes the schedule of the head of state. This is an extremely important, difficult, and thankless job. In the United States a similar role is exercised by the "White House chief of staff," who, although not formally a member of the government, is known to be one of the most influential members of the president's entourage. Wachowski plays an important role, but any guessing that Walesa is in some way under the control of his chief of cabinet who pulls the strings is incorrect. No one has ever succeeded in this. President Walesa is simply not amenable to any one's control.

Krzysztof Wyszowski: Wachowski is not being guided by any historical goals. It is the ambition of politicians to be positively inscribed in the history of the state and the nation, but to Wachowski the sole goal is to remain in power and to jest and have fun. All of a sudden somebody without a past, who has never done anything for his country, has become the second most important person in the nation. He was even received by the British queen. It turns out that history is garbage, that it can be ridden like an aging mare, bespat, and kicked, while she remains passive. That someone like Wachowski can decide the fate of a proud nation like the Poles is the laughing stock of history. But this confirms his, Wachowski's, vision of the world.

The Dark Mirror of the President's Soul

High official at the Chancellery: I attribute Wachowski's rise to the fact that he has been unblinkingly fulfilling Walesa's every wish, no matter how idiotic. Moreover, he is an excellent psychologist; he is familiar with Walesa's needs. He knows how to cheer him up, flatter

him, or make him nervous so as to keep him in the right tense mood, which Walesa likes. Lastly, he is available 24 hours daily. He is in the Belweder all day and all night. After all, no normal human being could stand it.

Krzysztof Wyszowski: Wachowski is creating around Walesa an atmosphere of disdainfully, cynically, and venomously jocular treatment of national interests and institutions of state. This is being done on the principle of relieving psychological tension. Some people get drunk, others curse, while others still shut themselves up in the bathroom and shout. Wachowski relaxes Walesa with a potent dosage of grossly expressed contempt for the world, tinged with humor and a feverish, if not morbid, kind of cheerfulness. Were Walesa by nature better educated and more sophisticated, he would find this to be intolerable. Thus, Wachowski is nothing else than Walesa's shadow other, his "black" side. He does not have two faces; his own face is generally opaque.

Jaroslav Kaczynski: Wachowski is satisfying various kinds of Walesa's needs, especially psychological ones. Perhaps he has something on Walesa? I do not know. Wachowski himself told me that Walesa keeps throwing him out of his office several times daily and almost literally wiping the floor with him. On the other hand, he attaches tremendous credence to Wachowski's opinion. Wachowski is adroit and intelligent. He has guile, the criminal kind of guile, being ready to do anything to gratify the president. I have repeatedly posed the issue of Wachowski in my talks with the president, as the principal topic of our dispute, but whenever I demanded his removal I always received an evasive answer.

Krzysztof Wyszowski: In order to veil properly one's private life one has to find individuals who would not be loyal to the values publicly expressed by Walesa. This is the secret of Wachowski's success.

Wachowski is always seen in the president's entourage, but publicly he does not exist, grants no interviews, and does not explain anything. That is his function: He is to be visible only to the president. He is to attend only to "dark" matters. Besides, if the problem is viewed pragmatically, such matters do not have to be so secret. Certain things can of a certainty be made public, as for example by acknowledging that money is needed and the president has somehow to get it.

The Moscow Putsch—The Hour of Trial

Lech Kaczynski: The news about the coup in Moscow reached me at the very dawn. I immediately left for my office and called the president, but he told me that he had already spoken with someone and did not need me. I was not invited to the Belweder. It was then that I had decided to resign from my post as minister of state for national security, although, for various reasons, I submitted my resignation much later, just before the elections.

Jaroslav Kaczynski: At that time, I and my brother had been trying to obtain guarantees from NATO. It looked

like the Moscow coup provided an occasion for this, but everything went wrong. Walesa rejected an interesting offer of mediation in this matter. Moreover, to our astonishment, he did not want to convene a meeting of the National Security Council; he claimed that he needed no advice.

The Yanayev Putsch initiated my rupture with Walesa. I ceased to visit the Belweder. Besides I had been keeping my letter of resignation in a drawer since last spring. Like my brother I adopted a resigned attitude in awaiting the elections, fearing press attacks about our being "dumped" in connection with the TELEGRAF affair.

Lech Kaczynski: I decided to act through my frequent contacts with the prime minister. Bielecki appointed a special taskforce at the ministerial level which discussed, in addition to a general assessment of the situation, the threat to the eastern border, not so much by the Soviet army as by refugees. I tried to determine NATO's responses as regards Poland and other countries of East Europe. I believed that [the Moscow coup] afforded an opportunity for Poland's obtaining certain guarantees from the North Atlantic Treaty Organization. The information coming from the West made this belief seem realistic. Everything took place within 48 hours, and everybody was aware of the scale of the event and of the resulting dangers.

On 19 August I had officially proposed convening the [National] Security Council, but soon afterward, in the afternoon, I learned that nothing would come of it. Lech told me, "I am like a fish in water and I am handling it all, and Minister Wachowski is helping out." He made it clear that it was exclusively his affair.

Jerzy Milewski: The president presumably did not convene the National Security Council because he did not think that it would markedly assist him or the government in this matter. Besides, any member of the Council has the right to convene its meeting, but not one had demanded it; neither the minister of foreign affairs nor the minister of national defense, nor the minister of internal affairs, nor the prime minister. The president conferred with members of the Council singly or in small groups, though never with the Council as a whole and never at the Aleje Ujazdowskie offices of the National Security Office, but rather several hundred meters farther, at the Belweder.

Jacek Merkel: The president did not convene the National Security Council, a body established especially for such occasions. Instead, as he contended, he appointed some informal, unconstitutional body whose members other than Minister Drzycimski, Minister Wachowski, and the chaplain, Major Alfred Franciszek Cybula, were unknown.

Jerzy Milewski: The prime minister had appointed an interministerial crisis taskforce. During the Moscow Putsch the presence of 45,000 Soviet troops stationed in

Poland became a threat. Strategically considered, this was not a big force, but it was sufficiently big to organize some provocation.

Lech Kaczynski: I and my brother pressured Walesa not to engage in the next round of talks on the withdrawal of Soviet troops, especially considering that Ambassador Kashlev, on being summoned to the Ministry of Foreign Affairs, declared that the new [Moscow] government should be treated as something permanent, whereas in our assessment the putsch was collapsing. The Russian side did not know itself whom to represent.... Yet the Ministry of Foreign Affairs desired the talks, and they took place, without making any progress though.

Jerzy Milewski: I headed the National Security Office and was deputy minister of state for national security. The National Security Office has no executive powers, and no military or police formation is subordinate to it. It merely gathers and analyzes information for the benefit and use of the president and members of the National Security Council, as well as formulating proposals. We manned our offices round the clock and waited for the events to unfold.

An Unrealized Scenario

Jacek Merkel: If a military putsch of basic importance to the security and sovereignty of Poland takes place in a neighboring big power, the machinery of state should be set in motion in accordance with a secret preset plan. The president should convene an immediate meeting of the National Security Council at which the ministers of national defense, foreign affairs, and internal affairs would present their reports. He should also appoint an anticrisis taskforce. Under his constitutional powers, he should likewise convene an extraordinary session of the government. At the same time the president's press spokesman should proclaim his message to the nation.

The president, who is at the same time the commander in chief of the Polish armed forces, had the duty of appearing on TV with a patriotic message, such as had been proclaimed by President Kennedy during the Cuban crisis or by [Polish Foreign Minister] Beck following Hitler's ultimatum. That is how history is made. The resulting address could have been entered in the canon of Polish political speeches. But what actually happened was that Minister Drzycimski recited word-only some text. That was not what the nation had been expecting at such a dramatic moment.

Amazement, feelings of impotence, and growing fears of personal security (I heard that Walesa ordered strengthening his bodyguard), nervous phone calls to Jaruzelski and [the ex-Minister of Internal Affairs General] Kiszcak—this was how the president had behaved during the first hours of the putsch. If one telephones Jaruzelski, who has influence with the potential victors of the putsch, this means disbelief in the ability to control one's own army. That is not how the head of an independent state behaves.

Krzysztof Wyszowski: Walesa was urged to speak out on television. But he waffled and finally refused. The need for a public address by the nation's leader in the hour of potential danger to Polish statehood was so obvious that Prime Minister Bielecki volunteered to deliver it himself in front of the cameras. But after he had drafted the text of his address, Walesa forbade him to deliver it.

Jaroslaw Kaczynski: Walesa evidently believed that the putsch would be victorious, although Bush's comments indicated that it was collapsing. After all, Bush would not pose the issue acutely and engage in a confrontation with a long-established power that owns 30,000 nuclear warheads. Yet already as soon as Monday afternoon Bush took an incredibly firm position.

Until the last moment Walesa ignored Yeltsin and bet on Gorbachev. I believe that this reflects his political infantilism and dependence. I do not know whether it was under the influence of the press or owing to some other signals that he declared, "That Yeltsin is a satrap."

High official at the Chancellery: Walesa believed that he pursued a splendid policy on Russia by adopting a wait-and-see attitude and showing no sign of support for any contesting party, except to support Gorbachev.

High official at the Chancellery: It was being seriously suspected that the KGB, which survived as an imperial structure, is engaging in espionage activities in Poland with the object of maintaining a weak government in our country. While there is no proof of this, many interesting coincidences exist.

Jaroslaw Kaczynski: Even long before the putsch, mediators had been proposing a spectacular meeting between Walesa and Yeltsin during the papal visit. A reconciliation between the Polish and Russian nations was then to take place. That was the most far-reaching signal, but I do not know how feasible that idea was. Other signals came too.

Lech Kaczynski: The putsch collapsed. The [Polish anti-crisis] taskforce pondered for several more days the relations between Gorbachev and Yeltsin. Everyone expected a rapid finish for the former. Thus, the Belweder's stubborn adherence to Gorbachev was completely incomprehensible. I also happen to know that [Walesa kept] postponing making a telephone call to Yeltsin, despite the pressure exerted by my brother. Technical difficulties were supposedly the obstacle. I do not know whether this is true, but I do know that others had no problem in reaching Yeltsin by telephone.

Jerzy Milewski: The president did telephone Yeltsin, for which he was thanked by him afterward. For technical reasons, and also owing to the long line of leaders of many countries who also tried to contact Yeltsin by telephone, the Belweder was very late in securing that contact, and as for Gorbachev it was unable to reach him at all. Bush and Mitterand were able to make contact, but other national leaders were not.

Jacek Merkel: I find Walesa's conduct to be incomprehensible, unaccountable, and unjustifiable. I am also opposed to the manner in which Walesa represented Poland in his conversation with Yeltsin. When finally, as one of the last national leaders in Europe, he had "succeeded" in reaching the Russian president by telephone, millions of television viewers beheld a sweaty Walesa wearing a shirt with the sleeves rolled up and the necktie loosened, with a newspaper lying on the desk, and with Wachowski circling behind his armchair and handing him some "urgent" papers to sign. Elementary courtesy toward one's fellow citizens requires that an official and extremely important address be delivered on television under appropriate circumstances.

A Shameful Correspondence

High official at the Chancellery: The absence of consistent treatment of the eastern question resulted in that Walesa did not know how to act when the putsch erupted. At the last moment a congratulatory letter to Yanayev was snatched from his hand. He had expected that the putsch would entail major changes and that the SDRP [Social Democracy of the Polish Republic] would become a major political force. He also thought that in being the first to write such a letter he would not lose the initiative. Anyone can make a mistake, but Walesa's eastern policy was simply fortuitous.

Jerzy Milewski: The president tried to establish contact by telephone with all three, Yeltsin and Gorbachev and Yanayev. I took no part in the discussions of this issue. Insofar as I know the dominant view was that the seizure of power by doctrinaire [communists], the army, and the KGB would be a major threat to our sovereignty. Raison d'etat required acting with the greatest deliberation. The assessment was that Yanayev should not be justified in thinking that the Polish Government was opposed to him. The president did not speak with Yanayev. I do not know whether a letter was dispatched to him. I was not among the persons who decided on this matter. I have not seen any such letter or its draft. Had I assisted in drafting such a letter, I would opt for including the following language: "We are and intend to remain an independent country; we have no claims against the USSR; we expect a rapid completion of the negotiations for and the withdrawal of Soviet troops from Poland; the agreements for the shipments of crude petroleum and natural gas will not be broken."

That would not be a letter legitimizing Yanayev. It would provide a kind of political protection against attempts to once again include Poland in the empire were to be restored by the coup plotters, in the event that the coup were to be successful. I believe, however, that no letter was dispatched. Fortunately, the putsch collapsed quickly and there was no contact with Yanayev. No such contact could have been possible anyway, considering that the coup plotters were too busy to think of Poland.

Jaroslaw Kaczynski: I happen to know that during the putsch a letter in which President Walesa recognized President Yanayev had been written. I believe that it was authored by the president's immediate entourage. Walesa declared, "I am acquainted with Yanayev." So is my brother, who met him in the same place as Walesa, in Geneva, where Yanayev had represented Soviet workers. In Prague, during the meeting dissolving the Warsaw Pact, my brother Lech was striding in a hallway when Yanayev, then the head of the Russian delegation, stopped him, exclaiming, "Oh, Comrade Kachinskiy!"

Jacek Merkel: Well-informed sources in the Belweder tell me that Walesa had the letter to Yanayev all ready and was going to dispatch it when, at the last minute, Prime Minister Bielecki heroically stopped him from doing so. Had that letter been dispatched, Walesa would have found himself in the company of Kaddafi, Saddam Hussein, and Tyminski.

Lech Kaczynski: On 19 August, I learned of the decision to dispatch the letter to Yanayev. I do not know whose idea it was, the president's himself or Minister Wachowski's. This happened shortly after the publicity connected with the deletion of passages from Walesa's address to NATO in Brussels.

The Gray Eminence

Lech Kaczynski: Initially two versions of the address existed, A and B. One was drafted at the Ministry of Foreign Affairs and the other enriched with passages inserted by the Presidential Chancellery. I held two meetings with Minister Skubiszewski at which we settled on the final, compromise version received by Walesa and transmitted to NATO by the Ministry of Foreign Affairs. While already in Brussels I learned that confusion reigned among the Polish delegation owing to the existence of both versions A and B. I argued that there was only one version, coordinated with the Ministry of Foreign Affairs. But people from Walesa's immediate entourage kept pretending that they did not understand what I was talking about. The point was raised thrice. I kept repeating, "Version B does not exist!" At the Belgian Government's residence for official guests Wachowski read version A and declared, "Such an anti-Russian provocation will not be tolerated." The next day, I was to travel to the NATO site in the company of the president, but Wachowski, holding the text of the address in his hand, pushed his way inside the car ahead of me. It was then that I noticed that some lines were crossed out. Walesa delivered the address, which turned out to be abridged.

High official at the Chancellery: Minister Skubiszewski said that everybody was furious because the printed text of the speech which they received clearly differed from its verbal delivery. High NATO officials complained to us, claiming that they were suspected of having pressured us to delete anti-Soviet accents from the speech.

The passage omitted by Walesa was as follows, "But we cannot conceal the truth (about Polish-USSR relations—

Editor). There exist problems which cast a shadow on our cooperation. Despite our efforts and our flexible approach to the negotiations, the withdrawal of Soviet troops stationed in Poland still has not been agreed upon. The USSR is proposing distant deadlines and a slow rate of withdrawal of these troops. Such a policy toward a sovereign Poland is unacceptable. We await a positive turning point which will be important to improving the security climate throughout the continent."

Jerzy Milewski: I believe that Minister Wachowski was instructed by the president to delete this passage. I was not in Brussels during that visit, but I know Walesa enough to believe so. Besides, the printed text of the speech that was distributed to reporters did contain that passage, and hence the president was concerned not about deleting it but about assuaging its impact.

Lech Kaczynski: While in the Belweder, I was unable to shape the president's current defense policy but I still had enough clout to be able to prevent unfortunate ideas and appointments to the rank of general. Several days prior to 19 August, I had objected to the personnel shifts in the command of the special military services, because I foresaw that the new commander would be somebody representing the invisible pathological cliques so adroitly promoted by Minister Wachowski. Once the putsch erupted I learned that precisely such an appointment had been made (this concerns Czeslaw Wawrzyniak—Editor). I believe that Minister Wachowski deliberately presented [to Walesa] for signing that letter of appointment at a moment when the president sensed the emergence of a threat [from the Moscow putsch].

When I entered the Chancellery last March, Walesa entrusted me with drafting proposals for personnel shifts in the armed forces, which was linked to the idea of having the Ministry of National Defense directed by a civilian. Milewski conducted on my behalf dozens of interviews with various higher army officers. I presented our—both structural and personnel—proposals to Walesa on about 20 June 1991. At about that time, Wachowski began to visit me and urge me to forget about the idea of a civilian minister of defense, saying that it was a visionary and infeasible idea. Likewise, Walesa began to clearly retreat from championing that idea. We had sharp disputes about it. I was resolved to submit my resignation. A compromise was reached: the minister was to be a civilian but the chief of staff, endowed with great powers, was to be a military man. The only meeting of the National Security Council to be held during my short term of office took place on 5 July and by then was held in a tranquil atmosphere.

Jaroslaw Kaczynski: It can be readily imagined what would have happened had Yanayev emerged the victor. In practice, it would have meant loss of control over everything that might be important and decisive at such a time. As known, then communist contacts would have immediately regained their ancient power. Submitting to the influence of people like Admiral Kolodziejczyk

would have led Walesa to the threshold of unacceptable decisions—unfortunately I am not at liberty to tell everything—decisions of a military nature, totally unorthodox military alliances which would basically strengthen not so much Poland's military standing as the standing of the army in Poland and other postcommunist countries, thereby creating a self-enclosed system which could be potentially always submissive to the central command in Moscow.

Banker's Poker

Jaroslaw Kaczynski: Speaking of pathological cliques in the Belweder, mention should be made of Andrzej Kozakiewicz, Wachowski's deputy, secretary for economic affairs under the president. In the aeropagus of the three statesmen he clearly ranked at the bottom—after Wachowski and Drzycimski. In practice he acted as a kind of messenger boy. This Kozakiewicz was a kind of wheeler and dealer. Sometimes even this resulted in comical situations as when, as part of his "friendship" with me, he would tell his clients as follows, "So the bank refused you a loan.... Do you know why?.... Because Kaczynski told it not to.... But you know, this can be arranged, because in reality it is we who hold the upper hand here, not Kaczynski." Of course, all this was news to me, and I have never had any influence on any bank.

I do not understand what it was all about; all I know was that bankers used to visit Wachowski. He made some kind of deal, and the recent appointment of Gronkiewicz-Waltz [as the director of the National Bank of Poland] proves this. They simply sent out all kinds of signals to the effect that the Presidential Chancellery is the place where various kinds of deals can be arranged. Does this indicate that some big and strange financial arrangement has been concluded there? Everything indicates that they are not doing it just for fun, but there is no proof.

Jacek Merkel: Obviously there exist many much more suitable candidates for the post of chairman of the National Bank of Poland than Mrs. Gronkiewicz-Waltz. Krzysztof Bielecki, Leszek Balcerowicz, Marek Dabrowski—they all have administrative experience and are economists. The first two are well known in the world of finance. They engaged in negotiations abroad, which, given the existing Polish foreign debt, is a highly essential qualification for the bank chairman. I assess the qualification of the new bank chairperson as very low. She has a distinctive perception of the state's financial system through the prism of the need to combat scams rather than to guide this unusually sensitive system. She was personally the coauthor of the presidential veto of the rejection of her nomination.

It is not true that she is nonpartisan. She is the leader of Victoria, a political party whose main platform is to support Walesa and which won about 1,000 votes in the recent parliamentary elections.

Lech Kaczynski: The selection of Mrs. Waltz to direct the National Bank of Poland is part of the logic of the

politics of Minister Wachowski. No one is questioning her qualifications as an expert on banking law, which are good enough for an adviser. She is a good expert, but that is not enough to manage a bank that employs 9,000 persons and oversees the entire financial system of the nation. I happen to know that she has already received instructions from the Belweder that have nothing in common with the bank's financial policy.

I fear that, given the mystical attitude of the new Mrs. Chairperson toward the president, her administration of the bank will in practice consist in telephone calls to and from Minister Wachowski and his references to the "will of the president." The "telephone style" of work may end badly for the bank itself and for Mrs. Chairperson herself, who has besides declared that the president has an exceptional legal instinct. I do not deny that Walesa has a great political instinct, but as for his legal instinct, I do not see any, not even a modicum of it. In general, to him law is an incomprehensible phenomenon.

Jacek Merkel: But it is the mechanism of political action which Walesa has been applying, effectively to be sure, that I find most disturbing. As a major tactician he accomplished an astonishing feat: He humiliated the Sejm and made of it a laughing stock by securing for himself the future possibility of appointing the prime minister in the same way as he appointed the chairperson of the National Bank of Poland—by submitting repeatedly the nomination of the same person rejected by the Sejm. Since there is a three-month time limit, the president has the power to either force his nominee on the unwilling Sejm or, by virtue of the constitution, dissolve the Sejm. Now after his experience with Mrs. Waltz, Walesa knows that the Sejm is more likely to submit to his political dictate than to let itself be dissolved.

What Next?

Jacek Merkel: At a recent meeting of the National Defense Committee the Polish defense doctrine was discussed. I heard that the president was reluctant to familiarize himself with it, and as to whether the discussion was substantive, let us not mention it. I believe that in the long run Walesa will not succeed in distancing himself from the acceptance of responsibility, especially for mistaken decisions, while at the same time ascribing to himself the credit for right decisions. He has never kept it secret, saying, "Do what you like. If you succeed, I get the medals; if you fail, it is your fault." He says the truth; that is how he feels and acts. But a president's job is precisely to take decisions and, what goes with it, to accept responsibility for them.

Jaroslaw Kaczynski: Walesa may be dangerous to the state, as demonstrated by his recent comments on the need to suspend democracy. I believe that this whole place [the Belweder] is exerting an adverse influence on the state. Walesa would like to have great powers, and it may be that his rule will be long-lasting, though not

unlimited. I believe that Pilsudski's stance of deciding on everything but keeping somewhat aside would suit him best.

High official at the Chancellery: Walesa repeated each week that he would head the disgruntled society (even joking that he himself would march on the Belweder). He would like to head any majority that would actually emerge, even if that were a majority desiring a return to socialism.

For the time being there is no reason to believe that Walesa will be able to form an alliance of proreform forces. He has a chance to survive as a weak president who does not obstruct anyone. He enjoys international renown and he can cut ribbons and deliver speeches. He will lose if he keeps acting as he is doing now, i.e., pressuring the Sejm and the prime minister, devastating the political parties, changing configurations, and setting up one straw man after another (today the enemy is Kaczynski; yesterday it was Michnik or Mazowiecki; tomorrow it could be somebody else). In this way he is gaining no base of support for himself. He is certain to lose.

In a year perhaps he will submit to a referendum, declare that the others do not understand him, that the elites are winning the tug of war. Therefore, he will ask the people if they want him. If he wins 80 percent of the vote, he will rule with the aid of more rigorous means; if he wins less, say, 40 percent, he will resign. That is a fairly probable alternative. No one will believe that a man like that will resign. But as for me, I think that he is rent by contradictory desires: He wants to rule, yet at the same time he wants to retire and chuck it all, shed the responsibility, live normally.

Jaroslaw Kaczynski: He could call for a referendum, although I do not think he will do that soon. I am not sure how well he is aware of the resentment now being felt toward him by the nation. On the other hand, this is a relative assessment, because, while the polls do indeed make Walesa look bad, they make the Sejm look even worse. A confrontation between the Sejm and the president would not necessarily turn out to be to the advantage of the Sejm.

But how long will he stay president? As soon as I became head of the Chancellery, I told him that he was president pro tempore. The new constitution is not yet here, and once it is voted, it will settle this issue: It may specify that, once it is voted, the term of office of the president will expire, or it may introduce a lengthy *vacatio legis* [exemption from the law] for all the powers of the head of state, or too it may immediately bestow new powers on the current president. I am thus not going to predict anything until the new constitution appears.

Grzegorz Grzelak: De Gaulle had a class act because, among other things, when the French society declared "no" in a referendum, he simply withdrew. In itself the exercise of power alone will not be enough for one to enter history as a reformer.

Krzysztof Wyszowski: Walesa is personally too weak to be a dictator. A dictator is someone who accumulates power and rules by the strength of his intellect and abilities. Walesa is incapable of working out a plan of dictatorship. He would not know how; he is too indolent. On the other hand, a "substitute dictatorship" is possible. Then Walesa would need the assistance of somebody competent of whom he would be total master, e.g., a submissive prime minister working with a qualified team of economists. Then the slogans would be simple: Enough politics in public life. Now is the time for work. Now is the time for order and consistency, for following a specific direction.

I have lost my confidence in Walesa to such an extent that I am beginning seriously to believe that he is strengthening his influence in the army in order to lean on its support. He is supporting old generals, communists, and the OPZZ [All-Polish Trade Unions Agreement], and he is the last argument in favor of the "ancient regime" in public life.

Grzegorz Grzelak: Walesa still has a chance, if he supports the majority coalition and attempts to influence so as to alleviate its inner tensions. The worst he could do would be to pursue his personal interests within the government. If he stays aloof from the coalition, sooner or later he will lose, and will forfeit his credibility vis-a-vis any political force in Poland.

(All of the above comments are authorized.)

[Box, p 9]

I Also Asked the Following Persons To Comment:

Secretary of State Mieczyslaw Wachowski, chief of cabinet [chief of staff] to the president; Secretary of State

Andrzej Drzycimski, presidential press spokesman; Secretary of State Lech Falandysz, who is responsible for legal matters at the Presidential Chancellery; and Minister of State Janusz Ziolkowski, the director of the Presidential Chancellery.

I kept telephoning the Belweder office of Minister Wachowski an average of three times daily for two weeks. Mr. Minister was always either out of office or busy, or receiving someone, or his line was busy, or he was not in and the secretary did not know when he would be back. The secretary always claimed, "We'll call you back." She never called back. When asked why, she answered, "Mr. Minister has not decided yet." Perplexing.

As for Minister Drzycimski, after many attempts I finally reached him and we had the following conversation on the phone:

"Aha, sure I'll be happy to grant you an interview at some time agreed upon.... But I am not sure whether I should talk with you...because of the way you are writing."

"Mr. Minister, well then, do you really want to meet with me?"

"You can put down a No."

As for Professor Lech Falandysz, he required an advance list of questions. After he received them, he declared, "I don't see any point to answering these questions. I am an assistant to the president and not an adviser. You cannot ask me for comments on my boss."

Minister Janusz Ziolkowski, too, required an advance list of questions. But an interview with him never came about owing to his sudden illness. I do not think it was a pretext.

On Campaign Trail With President Iliescu*92BA0885B Bucharest ROMANIA LIBERA
in Romanian 1 May 92 p 3*

[Article by Vasile Iancu: "In the Footsteps of the Beloved Leader"]

[Text] He may not yet have decided whether to be a candidate for another term of presidential "drudgery," but Mr. Ion Iliescu is taking long and frequent electoral trips. He is taking the country's pulse. Like the dear departed. And in the county responsible for the famous proclamation of Podu Inalt—I mean the Vaslui County—where the CPUN [Provisional National Unity Council] chairman won 99.99 percent of the votes on 20 May 1990—did better than even Ceausescu—in that county, I say he feels like a fish in water. An ideal spot to have his ego stroked. And to make sure that he does not betray a socialist-communist tradition, Mr. I.I. followed in the footsteps of his predecessor with the presidential scepter. Thus, he went to the Perieni (exhibition) research station, whose experience has not been seen anywhere in the past 30 years, while the former CAPS [agricultural production cooperatives] in Perieni and surroundings (Iana, Poiana, Gherghesti, Dragomiresti, etc.) were among the most miserable in the county, an exhibition station that Ceausescu visited about three times and that was until two years ago managed by a former Securitate collaborator. He also went to Birlad, Vaslui, a hog farm, a couple of factories, and gave two speeches in which, among other things, he commiserated with the Americans and with Mr. Bush.... What is there to say, we could not have been doing better! With evident lack of (at least diplomatic) delicacy, Mr. I.I. irritably attacked—nothing new under the sun!—the monarchy. As a matter of fact, Mr. Iliescu insulted—for the how many-eth time?—constitutional monarchies like England, the Netherlands, and Denmark, whose royal houses are related to ours, Belgium, Spain, Luxembourg, Sweden, etc., etc., countries that, even Mr. Iliescu must one day admit, are among the most prosperous and democratic in Europe. But no, not Mr. Iliescu; when it comes to the monarchy or to royalty, he flies into a passion and keeps talking about an "obsolete system." As if the above-mentioned countries, and we could even include Japan with its emperor, had obsolete systems (!). Is the president intentionally forgetting to tell the increasingly few people who adore him (and for our lives we do not understand why!) that an electoral campaign costs more every four years than any royal house, that his presidential fund, published in an internal Official Monitor comes to \$1 million and 60 million lei and may be augmented without limit at the president's request....

Anyway, his speeches in Vaslui and Birlad sounded like some uninspired class of political-ideological education.

The series of electoral visits continues. In Iasi there was no meeting. He seems to have been well advised. He visited—how could he not?—his boss's and his "creation" from the times when His Comradeship was first

secretary of the county party committee, the Heavy Machinery Combine, where one bay has already been turned into the a storage facility for foodstuffs and consumer goods of a Dutch firm (from that kingdom!), as well as the Agricultural Institute and the Prefecture. He will also drop in on Pascani, the "little red town" whose mayor is his former aide and PCR [Romanian Communist Party] member, Secretary Neculai Ratoi, a close acquaintance of Mr. Iliescu from his revolutionary youth. We are looking forward to more electoral actions.

Aspects of Political Situation in Cluj Discussed**PNTCD 'Extremely Poor'***92BA0900A Bucharest "22" in Romanian 1-7 May 92
pp 4-5*

[Interview with Adrian Marino, member of the National Christian Democratic Peasant Party, PNTCD, by Gabriela Adamesteanu in Cluj on 9 April: "Romanian National Unity Party Brought (Thus Far Verbal) Tension in Cluj"]

[Text] Romanian literary criticism has given the political scene some first rate names. Among them is that of Adrian Marino, who confessed to us that his involvement in politics is rather theoretical and ideological, because personally, he has no ambitions. He does not intend (at least for the time being, say we) to run in the general election because he still has some books to write: "But what I want is to live in a free Romania, and I am struggling along that line. I also want to publish a few more books (here and abroad), to travel freely, and to live in dignified and comfortable conditions."

[Adamesteanu] What, in fact, is the significance of the Convention and of the unification of the opposition forces?

[Marino] The Democratic Antitotalitarian Forum was the first organization in the country to launch the principle of uniting the opposition forces. That was the source of the Convention idea, although absolute pater-nity belongs to Mr. Coposu. I think that the Liberals were wrong in their calculations about leaving the Convention and that they are overestimating themselves. I say that on the basis of the rather weak results that the Liberals achieved in the local elections, when they ran together with the Republican Party in Cluj and won only two council seats. Such signs cannot be too encouraging. My view is that the PNL [National Liberal Party] seeks power first and considers reform a secondary goal, whereas the Convention is first for fundamental reform of communist structures, and considers power and political maneuvering a secondary goal. That was the meaning of the key symbol: The need to present a united front against communism and neocommunism.

[Adamesteanu] What role did the UDMR [Democratic Union of Hungarians in Romania] play in the Convention and in the local elections?

[Marino] The UDMR had separate lists for councilors, but it strongly supported Litiu, the candidate of the Convention. That may even have cost Mr. Litiu something. Anyway, Mr. Litiu was violently attacked for having Hungarian relatives that he did not really have: He was accused of having a Hungarian wife (although she comes from Craiova, Oltenia) and that he wanted to open a Hungarian consulate in Cluj (which does not fall under the mayor's authority). Neither does a mayor have the authority to open a Hungarian university in Cluj, as was attributed to him, nor to reshuffle the facilities for Romanian and Hungarian schools by banning some and opening others. Huge advantage was taken of the highly inflammatory TV show regarding some (inopportune, in our opinion) declarations made by Minister Laszlo Fur to the effect that the Hungarian government viewed itself as the defender of minorities living outside Hungary. Language minorities, they said. That was interpreted also as interference in Romania's internal affairs.

[Adamesteanu] Do you believe that it is natural and useful that UDMR continue as a member of the Convention even in Northern Transylvania? Some say that its membership is losing Romanian votes, because people vote along ethnic lines.

[Marino] For reasons of ideological and democratic consistency, we do not see why we should not continue to cooperate with the UDMR. I have reason to believe in their loyalty. They have proven it. As a democrat, I cannot approve of discrimination. Personally, in my own mind, I am beyond such ethnic discrimination. I believe in the idea of citizens with equal rights, regardless of ethnic origin.

[Adamesteanu] You do, but what is the situation in Cluj?

[Marino] Indeed, in Cluj not everyone thinks as I do. I admit that. In terms of percentages, the ethnic polarization is still considerable, especially among the adult and older generation, who still have traumatizing memories from the time of the Hungarian occupation. The youth is much more indifferent to politics and to such discrimination. Both the Hungarian and the Romanian youth care about rock music, movies, the West, blue jeans, and so forth. Another form of my involvement in politics is that I am an editor of the newspaper TRIBUNA ARDEALULUI. We are accused of being the Hungarians' men, even of having been bought by the Hungarians, which is not true. Ours is an absolutely independent newspaper. But we are as open as possible. We have published Hungarian authors, too, and that is one thing for which we are being criticized, even by Mr. Funar, the present mayor: Why are Hungarians contributing to our newspaper? Well, why not? Since they are Romanian citizens, they have a right to express themselves.

[Adamesteanu] Do you think that PUNR [Romanian National Unity Party] nationalist propaganda in Cluj will be effective in the coming election, too?

[Marino] Nationalist propaganda appeals to a certain category of people. You see, Cluj has changed both its

social and ethnic composition in the wake of the arrival of masses of villagers to work in the giant factories. Freshly urbanized, they lost some of the country ethnic instincts. This primarily Romanian semiurban or semirural mass is concentrated in Manastur and Marasti. According to our newspaper's analysis by districts and constituencies, their vote was decisive for the PUNR victory.

[Adamesteanu] At times the belief is that selecting Mr. Litiu, a CADA [Action Committee for the Democratization of the Army] officer (something that easily lent itself to malicious interpretations) as the CD [Democratic Convention] candidate for the mayor of Cluj was not a very good idea.

[Marino] If it was a mistake, it certainly was not mine or the Forum's. It was the decision of the parties. But Mr. Litiu did well. I stayed with the voting centers until the last moment. But then there was the TV broadcast, in addition to which he came under strong attack by a certain military officer. Mr. Litiu was a victim who fell in this political struggle, but he may yet make a comeback as a future candidate for the Senate or the Chamber of Deputies.

[Adamesteanu] Reportedly, the historical parties did not do very well in penetrating the villages. What is your view?

[Marino] True. The major problem was direct communication. There is a shortage of means of transportation, gasoline is very expensive, and the party press is unable to gain access. For example, PNTCD [National Christian Democratic Peasant Party] has three county councilors. This shows some roots in the county. There could have been more, but the PNTCD is an extremely poor party. If there is one poor party in Romania, which did not take one dollar [as published] from anyone, it is the PNTCD. It runs on enthusiasm, donations, volunteering, messianic zeal, anything you wish, but money it does not have.

[Adamesteanu] The reproach is that it did not sufficiently "rejuvenate" itself.

[Marino] The reproach was very correct, but only until the last congress. After the congress the average age became 40 years, and a few candidate members of the Steering Committee are in their 30's (Stefan Mamulea, Remus Opris).

[Adamesteanu] The PNTCD was also criticized for having accepted Securitate members from the beginning.

[Marino] I think that at work here was the regionalism of some party branches, which immediately after the revolution accepted a group of former Foreign Ministry officials. But they were ousted at the latest congress. They are no longer there. The membership was sorted out during these two years.

[Adamesteanu] It is also being said that the PNTCD's individuality is due to Mr. Coposu and that without Mr. Coposu the party...

[Marino] He is obviously a personality of the first rank. To me he is the premier politician in today's Romania.

[Adamesteanu] Do you think that the PUNR was specially created to draw some of your party's electorate?

[Marino] PUNR followed an exclusively nationalist line. The PNTCD, however, evolved toward a Christian democratic party, and that may be its true future. This is a new, modern thing that integrates us into Europe. The PNTCD was accepted with full rights into the European Christian-Democratic Union. The PUNR will continue to play the ethnic card of the Hungarian peril. It is a purely ethnic party, without a doctrine.

[Adamesteanu] What are the extreme-right movements in Romania?

[Marino] In the extreme right may be included Marian Munteanu's Movement for Romania. I have here a very strange publication, *GAZETA DE VEST*. Read the motto: "Being a legionnaire [Iron Guard member] is expensive, but we are paying for being antilegionnaire." As long as such assertions will continue to be made in Romania, you realize that the extreme right has begun to go in that direction. That makes us a very reasonable center party.

[Adamesteanu] How do you define the PUNR?

[Marino] I view it as a party of local importance. The PUNR will certainly not succeed throughout the country with this idea of a Hungarian peril. Its impact is greater in the region that had been relinquished. These things will gradually recede, because we cannot possibly believe in Hungarian aggression. Look, we are the Romanian element here, the majority element. The Hungarians probably have their own minority extremist groups. Just as there is a Romania Mare, why should there not be a St. Stephen's Crown of Greater Hungary? Such phenomena are caused by a traumatic history, anxious memories, and (I think) lack of substantial progress of the spirit of democracy. As soon as you shift your attention on the citizen, with his rights and duties, rather than on ethnic origins, value standards change. But democratic awareness is not very advanced in Romania. Such undesirable situations will continue to exist as long as the focus is on ethnicity, on a closed, uniform state, on fundamentalist orthodoxy, and on the exclusion of certain religions. For example, in Cluj, the Unitarian Church has for two years held its services in the open. It used to have five churches in Cluj, but not even one was restored to it. The conflict is not between the Unitarian Church and the Orthodox Church, but between the Unitarian Church and the communist state that confiscated its properties. This is a matter of giving back property. The Orthodox Church gave back churches in Timisoara and Lugoj thanks to the wisdom, political sense, and broad sense of democracy of Bishop Corneanu, a true scholar.

[Adamesteanu] How is the presence of a new mayor being felt in Cluj?

[Marino] It is not felt at all. What is felt is an intensification in Mr. Funar's threats and attacks against not only the independent press (*TRIBUNA ARDEALULUI*), for example, on grounds that we are publishing Hungarian authors, but also against the UDMR, which he accuses of housing its headquarters in a 22-room building (which is not true). He also threatened to oust them from the building and take measures against bilingual signs. So this is what the PUNR and its new mayor have brought to Cluj: a tenser atmosphere, even if at present it is still only verbal. Words, however, tend to spread and to create and heighten tension.

How PUNR Won Mayoralty

92BA0900B Bucharest "22" in Romanian 1-7 May 92
pp 4-5

[Interview with Ion Muslea, editor of *TRIBUNA ARDEALULUI*, by Gabriela Adamesteanu in Cluj on 9 April: "Television Participated in the Vote for the Romanian National Unity Party in Cluj"]

[Text] [Adamesteanu] Is it already felt that Cluj has a new mayor and that he belongs to the PUNR [Romanian National Unity Party]?

[Muslea] Yes. There are two aspects to this new mayoral leadership. As far as I know, the new mayor took drastic measures to reprimand and oust corrupt officials. The negative aspect is that, in a bid to confirm his electoral program, he has sent a notification to Hungarian schools and churches in Cluj requesting that they remove Hungarian writing from the signs of these institutions.

[Adamesteanu] Do you know anything about the fact that the Greek Catholic Church and the Orthodox Church are in the Municipal Council?

[Muslea] What was surprising was that the head of the Greek Catholic Church of Cluj, Mr. Langa, appeared on the list of potential county councilors. Surprisingly, he agreed to run as an independent on the PUNR list. As far as I know, Mr. Funar was very insistent and apparently Father Langa finally let himself be persuaded. In the end he regretted his action, but did not do anything about it.

[Adamesteanu] How do you explain the fact that the PUNR won the election in Cluj?

[Muslea] The FSN [National Salvation Front] realized that it was going to lose. In the second round, the FSN, which had conducted a brazen propaganda against the PUNR, attacking it almost as strongly as the CD [Democratic Convention], did a complete turnabout. But an FSN-PUNR alliance was not enough and the last card had not yet been played. The outcome was decided when the television station aired, with a very great and very-well-planned delay, that unfortunate statement by the Hungarian defense minister. The day before the second round of elections the bets went on that statement.

[Adamesteanu] So Mr. Adrian Nastase, too, contributed to the PUNR's victory?

[Muslea] Yes, indisputably. The decision was swayed by 7,000 votes. The defeat of the CD was real, but a 47.5-percent score in an election does not make one a loser. In any event, it was an honorable loss.

[Adamesteanu] Was the PUNR campaign aggressive?

[Muslea] Its propaganda was good. It took advantage of nationalist reflexes, of fears the people of Cluj harbor about a so-called Hungarian threat, and of traumas left by the old Hungarian occupation of Northern Transylvania. In my view, the PUNR aggressiveness emerged from a "shadowy" area that led to General Keller's intervention in the electoral campaign. The Keller-Litiu conflict began with some rather harsh exchanges, but the attacker was Gen. Keller, who had a bad record dating back to December 1989, when, before the Alba Iulia meeting, he threatened to open fire on the crowds. As we see, Gen. Keller is extraordinarily consistent about intervening in areas and directions in which the army has no business, namely in politics. We feared a massive army vote for the PUNR and FSN. As far as we know, that did not happen. environment, to which the current mayor belongs?

[Adamesteanu] So, who voted for the PUNR? People with a university education, like the current mayor?

[Muslea] Old Cluj voted for the Convention. The balance was tipped in favor of the PUNR by the new districts (Manastur, Marasti). Here, too, we can speculate about lack of political awareness and education. People here are more impressionable and the effect on them of the Hungarian minister's statement, well exploited by the PUNR, played a decisive role. During the first round of elections, absenteeism was very high until 1500, when news came of Hungarian voting fraud in Satu Mare and when thousands of people from Manastur, who had not intended to vote, went off to vote. After all, voting is a civic action. They, however, voted under the impression of a report that in the end turned out to have been false. The statement was broadcast on television, so television was involved in the voting in Cluj.

[Adamesteanu] How did the alliance with the UDMR [Democratic Union of Hungarians in Romania] do in the election?

[Muslea] The alliance with the UDMR was right. If there were mistakes, they had to do with an insufficient willingness to negotiate on the part of the UDMR. Of course, everyone knew that if you went with the UDMR you stood to lose some support, but you could win on another plane, in another arena. Both the Convention and the UDMR made mistakes. At one point the impression was created that the UDMR had joint lists with the

CD even for councilors. That was an advertising mistake, which may have been exploited by the opponents' press. But it is very stupid to begin to apologize in an electoral campaign.

[Adamesteanu] So what point is there anymore in the CD and the UDMR staying together?

[Muslea] The objectives are the same. The Hungarians did not have a candidate for mayor, having considerably supported the CD candidate. They asked to be supported in the places where they had both candidates and real chances. It seems that they were supported, but not to the same extent as they supported the Convention. They were loyal to the point of making mistakes and losing votes. Out of loyalty they voted simultaneously for two symbols, thus canceling a few thousand ballots. Well, it is hard enough to educate a public....

[Adamesteanu] You have a complicated strategy for staying together.

[Muslea] Yes, it is very complicated and it will become even more so because of the liberals' game. The UDMR has a net advantage, considering the number of Hungarians in the region, while for us a division according to CD parties is very difficult. No one knows how many people voted for the PAC [Civic Alliance Party], how many for the Liberals, and how many for the Peasant Party. We know how many voted for the Convention, how many for the PUNR, the UDMR, and the FSN. Another piece of information we have is that in several areas the PNL went alone and won 700 votes for the entire county, which was a catastrophe. Once again the Convention appeared as a ballot polarizer.

[Adamesteanu] If you had the power to set the dates for the elections, when would they be held?

[Muslea] In June. The general election should be held separately from the presidential. I think that the CD people will be better and more convincing, and that the issues for Parliament will be entirely different from the issues in the local elections. I hope that the nationalist factor will take a secondary place thanks to the candidates featured on the lists.

[Adamesteanu] What is the FSN situation in Cluj?

[Muslea] One of the famous cases in Cluj was that of Ion Aurel Stoica. He was Iliescu's right hand in the UTC [Union of Communist Youth], when Iliescu was minister of youth and secretary general of the UTC. On 21 December he was at the Cluj Heavy Machinery Combine, where he had been sent by the party county committee. He stayed locked up in there with Mihai Pelteanu, the future mayor of Cluj, who repeatedly tried to stop the workers from leaving the combine. Not only in the combine, but also in the street with militia and Securitate men. On the 22d, after the street demonstrations, the headquarters of the county party committee was occupied. A few days later, I.A. Stoica was called back to show people how a county worked (he had been

responsible for the economic section and he knew the ropes). Within one week he was summoned to Bucharest, apparently by Iliescu. Since then his rise has been continuous and uninterrupted. But then he wandered over to the Roman wing. Locally, the FSN is represented by Prefect Grigore Zane, a former professor of Marxism at the university, who represents the Secares wing, A Future for Romania.

Hungarian Schools Threatened

92BA0900C Bucharest "22" in Romanian 1-7 May 92
p 4

[Interview with Gabor Kolumban, member of the Democratic Union of Hungarians in Romania, by Gabriela Adamesteanu in Cluj on 9 April: "A Strategy Familiar From the Time of the Dictatorship"]

[Text] Is it already being felt that Cluj has a new mayor, who belongs to the PUNR [Democratic Union of Hungarians in Romania]?

[Kolumban] It is felt in certain decisions that were in fact not council decisions, but his personal decisions, a kind of leadership by decree.

[Adamesteanu] Are there any Hungarian-language schools, or not? Mayor Funar said that there are only Romanian schools that are also attended by Hungarians.

[Kolumban] That, in fact, is how some people view it, namely that the Education Law or the government bill that regulates such matters did not envisage schools in which the teaching language is Hungarian. But such schools do exist in the Harghita, Covasna, and other counties. Last summer there was a scandal in Cluj about such schools and there will probably be another one after the break. Cluj has two high schools in which the teaching language is Hungarian, although they have Romanian teachers, too, and some subjects (history, geography) are taught in Romanian. The Constitution guarantees the right to be educated in the Hungarian language. There is no education bill yet, so these high schools operate without strictly legal grounds for existing. In fact, it is not exactly clear who is responsible for the organization of these high schools. If they are subordinated to the Education Ministry, then the local authorities have no right to interfere in the matter. If they are a part of the local autonomy of the region or of the respective locality, then indeed the mayor has a right to make decisions on the matter. The problems are very complex, because the government is issuing decisions regarding the high schools, which are implemented through the Education Ministry hierarchy. But the buildings in which these high schools are located are run by the local public administration, and the mayor says that he does not have sufficient space to allow each student to study in his mother tongue. This way he, in fact, interferes in the internal management of each high school, including the Hungarian ones. Thus, under the pretext that he has to guarantee the students' education in the

Romanian language, he means to introduce Romanian-language classes in the buildings of the Hungarian-language high schools. In fact, he wants to restore the old system of mixed high schools, like under the dictatorship. He means to use this strategy to first dismantle the institution and then even education in the Hungarian (or any other) language.

[Adamesteanu] Is that why he is eliminating bilingual signs?

[Kolumban] Precisely. The sign shows that in that building is located an institution that teaches in the Hungarian language. By removing the sign and giving the school just a number, all the schools are made equal and placed under his jurisdiction. The method is familiar from the time of the dictatorship. This "deja vu" phenomenon shows that those intent on practicing this strategy are in fact the people that used it during the dictatorship. Or their successors.

Szocs on CD-UDMR Relations

92BA0900D Bucharest "22" in Romanian 1-7 May 92
p 5

[Interview with Geza Szocs, Democratic Union of Hungarians in Romania leader, by Gabriela Adamesteanu in Cluj on 9 April: "We Will Support Any Democratic Coalition"]

[Text] Geza Szocs is also one of the names that important Romanian literature has contributed to Romanian politics. He is also subject to the call of literature, always in relation to the disappointments inherent to the political life (especially ours).

[Adamesteanu] What can you tell us about the experience of the local elections?

[Szocs] The almost unanimous conclusion is that the ethnic vote has replaced the political vote in Transylvania (or in Northern Transylvania). The question is whether a different strategy or different principles of cooperation (or noncooperation) would have yielded better results for the democracy. There are certain considerations according to which even if we had negative examples (in the sense that the democracy could not come to expression, or we were not able to help potential democracy become real democracy), nevertheless the overall balance of this cooperation was very positive. I think that this is something decisive. What is not decisive but still exists in some localities (only as an unpleasant detail, I hope) is that sometimes, in certain places, our voters got the impression that their participation was only supernumerary, meaning as walk-ons. More specifically, our votes were sought, but at times we had the impression that the same was not equally true for our candidates and our participation. We had candidates on the Convention lists, but I was referring to cases in which approximately 40 percent of a city's population was ethnically Hungarian, but our candidate was not accepted on the grounds that the Romanian electorate

will not vote for a Hungarian (even if the Hungarian in question had the official support of the CD [Democratic Convention]). That is in fact what occurred in Oradea. However, we think that the cooperation was fruitful and that it is the only possibility. Still, if tensions should emerge because of our participation, we can select another strategy, one of completely separate candidates. We will decidedly support any democratic coalition, even if we do not participate in the government. One digression. Almost without regard as to who will be the Convention's candidate for the Presidency, we will support him (second digression: provided it is not Mr. Campeanu).

[Adamesteanu] Do you still intend to abandon politics?

[Szocs] It is both a matter of fatigue and diplomacy: After being compromised and repudiated, I was presented to the Romanian public as an extremist and a chauvinistic nationalist, which I am not. Unfortunately (because I am a poet, too), a possible bridge between the two cultures was also compromised. Because the work of artists is one means of rapprochement between two ethnic communities, between two nations. Unfortunately, my work, which could have served the purpose of such rapprochement, was for a while compromised because I am no longer viewed as a poet, but as a chauvinist. Thus (in view of this situation), it may be easier even for the UDMR [Democratic Union of Hungarians in Romania] if, at this time, its leader is not someone viewed as an extremist. Of course, in three or four months the new UDMR leadership will also be described as such, as being extremist. But perhaps enough time will have passed until then for the Romanian society to understand that a UDMR leader is not necessarily a chauvinist or an extremist.

[Adamesteanu] Do you think that indeed some of your declarations were slightly ambiguous?

[Szocs] No, they certainly were not. But whatever I said, they were interpreted most creatively and tendentiously, regardless of what I said. For example, once I said something about eastern Hungary. My statement was immediately interpreted to mean that I was talking about Transylvania. Eastern Hungary is a very frequently used term for the eastern parts of Hungary. Nevertheless, in several articles that expression was interpreted to mean that "Szocs is referring to Transylvania as Eastern Hungary." There are thousands of such examples. I was never ambiguous or confusing. And in fact, I think this can be demonstrated if we analyze all my public speeches, interviews, or declarations. Recently I was in Strasbourg, where I talked about the political situation in Romania and about our situation, and once again I was presented as an extremist who was poisoning the good relations between the two nationalities. I suggest that the text be published and analyzed.

[Adamesteanu] What will the UDMR look like if you and Mr. Geza Domokos give up any leadership position?

[Szocs] I wish to continue to serve anyway I can, but for that I do not have to hold a leadership position. If I have any influence and prestige, I will have them even without any post. We hope to be able to create a new structure, capable of operating on the basis of a team principle. So we may not have very prominent personalities in the near future, but perhaps this future will be more favorable for manager-type leaders, technocrats who will be able to cooperate among themselves. But if there will be a need for politicians, so to speak, for prominent personalities, or if my presence will be viewed as absolutely necessary, in one or two years, or whenever, I will perhaps reconsider. Attracted by the demand expressed for me, I allowed myself to be swayed. Because as a matter of fact, I never had such political ambitions.

Criticism of New Munteanu-Led Party Aired

92BA0892B Bucharest BARICADA in Romanian
4 May 92 p 10

[Interview with expatriate Doru Braia by Octavian Berindei and Adrian Antonie; place and date not given: "Nationalism and United Europe"]

[Text] [BARICADA] Mr. Braia, you are back in Romania after leaving during a period of agitation, before the elections. How do you see the current political scene, the new parties that have arisen, such as the Movement for Romania?

[Braia] Yes, political confusion unfortunately continues in Romania. I am distressed to see that one of the promoters of this confusion is a man who, if we are to trust logic and consequence, should be the first to realize how important it is especially now, to establish a stability of political fronts in Romania. The emergence of new political organizations indicates that the 23 million concealed souls in Romania have not yet been satisfied, a phenomenon which I considered normal until one and a half years ago; but now I wonder why these people do not try to join the already existing parties. Using their political skill and talent, let them create a majority in the political party they prefer and impose the political line they consider appropriate. It seems to me that to waste the time of the Municipal Court with the registration of new parties is a larceny of public funds, in a country in which I am ashamed to say, children are starving. However, the Movement for Romania has drawn my attention among the newly emerging parties, and I could say that I have now come to Romania because I consider the creation of this political organization as a signal, a negative signal unfortunately, which has also been perceived in the West and which contributes absolutely nothing to the accomplishment of Romania's general intention of rejoining Europe. Why do I say this? Because on a continent which is definitely heading toward the formation of the United States of Europe, no isolationist ideology has a chance, particularly if it generated by nationalism. Marian Munteanu would

probably respond by saying that we are experiencing a rebirth of nationalist movements in Europe, and on the surface, that is so.

[BARICADA] It might be useful to have a few details about the nationalist movements here and abroad.

[Braia] If you just look at the surface, therefore, I should say he is right; but some analysis will show that the premises for the nationalist trends that are currently rather prevalent in Europe are entirely different from the nationalism, I might say farcical, that we now find in Romania, to which the Movement for Romania unfortunately belongs. What is that difference? Whereas these nationalist movements in West Europe are launched by a normal rejection of emigrants from throughout the world, in Romania, the xenophobic effect of nationalism leads only to an attitude against potential emigrants who still do not exist, and thus against those outside Romania. The nationalist movements in West Europe are in fact a technical effect of manpower distribution. Let me be more explicit: The number of emigrants that are allowed to enter into West European countries is apportioned as a function of the percentages achieved by these nationalist parties. An enormous amount of work is presently needed following the entry of the former GDR into the Common Market, the plans to develop southern Italy, Portugal, southern Spain, Greece, and so on. These are development projects that have been conceived for decades, which can now be implemented, and which now require an immense amount of labor. Western politicians of course realize that they must retain a sense of proportion in controlling this situation, and thus tolerate these nationalist movements to feel the pulse of the population. The moment these movements obtain 15 percent, they immediately reduce the number of emigrants, and as I have noticed for several years, the electoral percentages achieved by these parties drop to about 3, 4, or 5 percent, which is insignificant. At the same time in this country, a new organization, which we can see is rather uncompromising, wants to gain substantial percentages in the next election using arguments which in my opinion are outdated for 1992, in light of the imminent creation of the united states of Europe.

[BARICADA] Munteanu said that he was strongly counting on the disoriented youth whose numbers could reach nearly 5 million, many of whom did not even come forward at the last elections.

[Braia] If I were Munteanu, I would avoid basing the realization of a political program on a multitude of disoriented people. This leads to only one thing: the procedural absolutization of the political process that the specific organization wants to impose. What is more, given Munteanu's stand, I believe he should have realized that members of political organizations that have already found a conceptual niche would be much more efficient. I think that the identification with PNTCD [National Peasant Christian Democratic Party] claimed by Munteanu is evidence of the respect problems that still affect this Movement for Romania, in which case he

has certainly achieved the necessary political tie through that statement. Whether it was to the advantage of the Movement for Romania remains to be seen, but it certainly was to the disadvantage of the PNTCD. I don't know how delighted PNTCD members were to hear that they are allied with a political movement which at least according to Munteanu's statements, is ideologically rooted in beliefs initiated at the beginning of this century. I have heard comments regarding your magazine's interview with Munteanu, an interview that claims to clarify the position of the Movement for Romania. We are dealing with an organization that we should carefully avoid. As long as a party is not capable of demonstrating organizational coherence and takes refuge in church structure, it means that something is superficial. Let's not even talk about Munteanu's statements, which in my opinion are completely unrealistic in assessing the present condition of the Romania nation. Just look at the headings of the interview; the first one was already absolutist: "Social democracy is not compatible with the Romania nation." Far be it from me to contradict, to try to change Munteanu's political opinions, but the moment you want to conduct political action in a democratic society, it is irresponsible to firmly declare that a political direction is inappropriate. I would not permit myself to contradict the political conviction of even one person in 23 million; if a single person is a convinced social democrat, it means that social democracy is compatible with the Romania nation. I am not a social democrat, I don't fully share that ideology, but to dispute it in a pluralism democracy means that I would abdicate my own democratic beliefs, that I would become a demagogue.

[BARICADA] You have not joined any party and therefore have not expressed any political choice, remaining an independent until now....

[Braia] I modestly dared express a political option on 20 May, but an impostor who had climbed up the ladder on the strength of his craftiness in plain sight of society, prohibited me from doing it as a Romania citizen in the first election that was freely held on Romania soil. This made me think about what Gama once said, and paraphrasing him I would say that a Romanian prevented me from being a Romania. But to go on with Munteanu: "There is no other national doctrine than Christianity." Christianity is an individual spiritual anchor. The moment it is used to organize a multitude of people, as Munteanu probably would like to do, then Christianity changes from gentle to dangerous. Let us no longer gather in God's name in fundamental organizations; let us give each person the prerogative to see God according to his nature, his mentality, and his customs. I was shocked by another of Munteanu's statements, when he said that the Legionnaires were a Romanian entity since the country supported them. I will draw Munteanu's attention to the fact that until 1989, except for a single person, a saint, an entire nation also supported Nicolae Ceausescu. I would therefore ask Munteanu whether everything that Ceausescu did was also Romanian?

Ecologist Party Dealings, Leadership Under Fire

92BA0899A Bucharest *BARICADA* in Romanian
5-11 May 92 p 3

[Editorial by Vlad Macri: "The Ecologists Movement Turns Sour"]

[Text] The MER [Romanian Ecologists Movement] Congress opened on Sunday 3 May 1992. We all remember the enthusiasm that the news of its founding aroused right after the resolution. But what is left now, more than two years later, of the fine initiative of that time? The pine tree that adorns the movement's seal was on the point of shedding its needles, poisoned by the wastes that Mr. Drimer wanted to destroy in Romania, while the MER's motto should be revised to "Rich Ecologists in a Poor Country in a Dirty World"!

Bucharest was still at war when Toma George Maiorescu started the appeal to found the movement. People of all ages, attracted by the nobility of the slogan "A Clean Man in a Clean Country in a Clean World," began to send in their support. The first meeting was held in Dalles Hall, into which over 1,000 people crowded, including Dolphi Drimer, a professor at the Polytechnic Institute, the stage manager Sorana Coroama Stanca, Dr. Alexandru Ionescu, the composer Dinu Petrescu, the geologist Marcian Bleahu and Sorin Racoviteanu, vice president of the Aeronautics Club. A temporary management committee was elected, with Toma George Maiorescu as chairman. But in back of them was the enthusiasm of some youths who risked their jobs, some of them even becoming unemployed, by volunteering for the MER. Names like C. Stanculescu, M. Crivat of L. Tarcevschi will not be heard at the MER Congress, but without their selfless support the results on 20 May 1990 would have been entirely different, and ecologists like Dolphi Drimer would have held chess-players' congresses in Cismigiu Park. The departure of those young volunteers, who bore the whole burden and sent the "clean" men to Parliament, began right after the elections. In a chess game like that the pawns are always sacrificed. To what further good should the king (Maiorescu), the rook (Alexandru Rosu), and the knight (Bleahu) have used them?

The results on Blind Sunday were not the doings only of some credulous pawns. The main pieces took care to ingratiate themselves with the Emanation, currying favor with the new authorities out of long experience. And the reward was not long in coming: the building on Olga Bancic Street, the former headquarters of the PCR [Romanian Communist Party], subsidies of about 1 million lei out of state funds, a Dacie station wagon with a low number, an ARO in which Dinca TeLeaga [as published] rode, etc. The ecologist publication ECO was founded in the same period, and obviously King Maiorescu, who became the manager, now had a source of income for his jaunts abroad. ECO did not last very long under his management, although it started out under the promising auspices of a loan from Minister Patan. While

I have also mentioned the fine headquarters, let us not forget a "detail," namely that it was turned over to the MER with its complete inventory, including...the party's dossiers! Mr. Silviu Palalau, then vice president of the movement, took care to make discrete use of them for blackmail. When the affair began to smell, the vigorous ecologist took care to acquire a scholarship to the United States offered by the GDS [Group for Social Dialogue] which came in the name of Paul Vinicius (a journalist on the ECO at the time). As we all very well know, the United States is an attractive country, so that it is no wonder that the blackmailer Palalau requested political asylum. He is living today in a clean country in a clean world.

Those who stayed in Romania began to concern themselves with increasingly "clean" matters. The aid that came from France, and was distributed through the MER to the Children's House in sector 1, came to be sold on the open market. The French Ecologists' Party thought to help its brothers in Romania and sent them some video equipment. Through the peculiar management of Ivan Truter, the economic manager of the MER, it reached the Ecological University, the source of Mr. Drimer's millions.

Every Romanian is being privatized. Since the ecologists are Romanians too, why would Mr. Sorin Racoviteanu, who serves as the vice president, not be privatized as well? While on an ecological trip through France, he registered the IM [International Marketing] NOROC Intreprinderea de Comerț Exterior there. Since Romanian goods are needed and the money must be collected in France, Racoviteanu's wife registered a firm of the same name in Romania. What business was IM NOROC in? Solely ecological affairs: The country did not have sugar, but the "Norocosi" [lucky ones] used it for an illegally manufactured drink that was called "Ole" because of a wide European exposure. The versatility of the firm is amazing: Delivery of computers to the Ministry of Interior was another one of its businesses. And then, tiring of Ole, Mr. Racoviteanu founded the "League of Romanian-Libyan Friendship," through which he was about to obtain a subsidy of \$250,000 from Tripoli. Mr. Maiorescu did not agree to the idea and suspended it. The underlying motive for the subsidy was also "ecological": Libya was to finance plans for blocking nuclear energy programs in the East European states.

The triumvirate that cuts and hangs in the MER is composed of Toma George Maiorescu, whose real name is Toma Mayer, a graduate of the nonecological Maxim Gorki University in Moscow, Dolphi Drimer, who was contested after the revolution by his former students at TCM and Ivan Truter, former organizer of the plenary sessions of the CC of the UTC [Central Committee of the Union of Communist Youth].

We will begin with the latter, who discretely appeared in the MER in 1990 as an economic administrator. Along with Drimer he was the promoter of the affiliation with the FSN [National Salvation Front], dreaming of

becoming undersecretary of state in the future Ministry of Public Administration. He would also have liked to be mayor of Bucharest. With no higher education, he became a councilor in sector 1 (supported by the Front), which office he obtained by falsifying public documents, declaring on his candidate's card that he is an engineer. He was nominated alone as executive director of MER and delegate in relations with ROMPRES. He represents the movement in discussions with the government and in contracts with foreign delegations. Although he did not and does not have any kind of mandate to represent the Executive Managing Committee, he was the representative of the MER in the intelligence courses of the Council for Defense of Romania, which are given at the Military Academy. As a gray dignitary of the movement, he controls correspondence, arranges trips abroad and, in perfect Securitate style, has all telephones monitored. Ivan Truter has two passports, one Romanian and one Israeli. Whom does he actually represent?

In any case, he has represented Toma George Maiorescu, when he obtained a villa for him at 31 Kisseleff Street, opposite the embassy of the state where he studied (USSR). He probably learned about the market economy in those Muscovite courses, and now he is managing a foreign trade firm jointly with a French citizen of Romanian origin (Halmos). You can buy your perfumes, cosmetics and wines, all ecological, at the Chic store on Magheru Boulevard.

But the big ecological business belongs to Dolphi Drimer, with his private university. He conducts his activity today in over 22 offices in Bucharest and has a part of the MER's headquarters. At the start the Maiorescu-Drimer team operated perfectly, the latter promising financial aid for the newspaper ECO and for MER. Instead of that, the Ecological University received offices through the movement's influence and technical equipment out of the donations for the MER. When Sorin Racoviteanu proposed in the Managing Committee that the university became a joint-stock company (with the majority held by the MER), Mr. Drimer jumped as if burned. Was such a thing possible? Should he lose his so profitable puppet (an annual turnover of more than 60 million lei, without bothering to count the collections in foreign exchange from the foreign students!)? Mr. Drimer's promises are still unkept, and he even owes the movement money today.

But the ecological crusade went on. Without the approval of the Executive Managing Committee, Drimer nominated himself as undersecretary of state on the National Committee on Recycling Wastes. The motive was as "disinterested" as it was in the case of the Ecological University: A flat fee could be obtained if that committee agreed to the founding of a plant to burn wastes brought in from the West. What could be more laudable on the part of an ecological leader than the noble initiative of importing refuse "in a clean country in a clean world"? It was not to be, but we do not think Mr. Drimer is discouraged. Household wastes did not work, but he can still try to import dioxin or plutonium,

both of which products will make the ecological pine tree grow on the campus of Drimer University.

We have every respect for Mr. Marcian Bleahu, but we cannot overlook a number of troubling questions. Since he became head of the Ministry of Environment, we would have expected to see some results. What has he done so far? He does not seem to care that the law on environmental protection has not been approved. He is not concerned that the country should learn the degree of pollution of foodstuffs or the truth about the decimation of its forests. Unfortunately Mr. Bleahu has sparked in silence. The wood is going to the West, that is to Hungary, Austria, or Germany, and what does it matter that the Romanians will no longer have forests? What has Mr. Bleahu done for the Danube Delta, Zlatna or Copsa Mica? Vice president of the MER, a senator, a minister and dean of the Faculty of Natural Sciences at the Ecological University, he seems to be aiming now at the Presidency of the country! Once he became a minister, Mr. Bleahu did not shrink from giving up his post as a senator, and as a result the MER is no longer represented in the highest forum in the land.

The firm Teverom, sponsored by Ion Tiriuc and managed by his partner, one Robert, is another peak of ecologism in Romania. The object of its activity is the sale of Romanian venison, specially procured on Ceausescu's former reservations. The representatives of the firm boast of their highly placed connections, to the point of maintaining that they facilitated the installation of an international telephone in the office of Minister Marcian Bleahu, who could have blocked the contracts of that firm that were disadvantageous to the country.

There would be just as much to say about the other ecologists, but we do not want to repeat ourselves. Is there any point in dwelling on Mr. George Scarlatescu, who was in the presidium of the congress on its second day in operation? He is poor small fry in comparison with Adolf Drimer. He only founded the Ecoteh (technological ecology) firm, thus violating Article 2 of the MER's charter, which sanctions "persons who would try to accomplish their personal aims through the intermediary of it."

Alexandru Rosu is a scientist and by no means a politician, as proved by the way Drimer used him to obtain official recognition of the Ecological University from the Ministry of Education (since he is a secretary of state in that institution).

Mrs. Sorana Coroama Stanca cannot cope with the dirt in the MER, being in the same position as Mr. Sahleanu, that is well intentioned but powerless against the Maiorescu-Bleahu team. Mr. Octavian Ciobota is supported only by a limited group, although he fights for the advancement of the MER. He does not seem to have any political future, since his activity in the branch has always vacillated according as the wind was blowing on the Managing Committee.

Cornel Rauta is one of the few about whom we have nothing adverse to mention. Disliked by Maiorescu and Drimer because of the frankness with which he raises questions directly and unequivocally, he has risen through his professionalism, sense of organization and ability to make decisions.

These are approximately the people, cleaner or dirtier, who are managing the MER. The answers to many questions that the movement has been evading for more than two years depend upon this congress, as well as the role that it will play or not play on the Romanian political scene.

Treatment of Ethnic Germans Called Unjust

92BA0902A Bucharest ADEVARUL in Romanian
23 Apr 92 pp 1, 3

[Open letter, dated 4 April, from representatives of the German Democratic Forum to Romanian officials and German Foreign Minister Hans-Dietrich Genscher—first paragraph is ADEVARUL introduction]

[Text] Everyone is familiar with Arghezi's joke (...because we don't have Germans...). More than once we have had an opportunity to note that we did "have" Germans, but did not know how to "keep" them. One very topical and painfully conclusive example is offered by the attached open letter which, having come to the end of their tether, representatives of the German Democratic Forum entrusted to us for the unfortunate purpose of giving it inevitable publicity.

Sibiu, 4 April 1992

To His Excellency Ion Iliescu, president of Romania
His Excellency T. Stolojan, prime minister
Mr. Marculescu, minister of agriculture
Mr. Grigorescu, minister
Messrs. Doru Viorel Ursu and T. Vaida, secretaries of state:

Recently we have been receiving a growing number of reports, claims, and complaints from Romanian citizens of German nationality regarding aspects of a gross social and national injustice and flagrant violations of the law, especially in the implementation of Law No. 18/1991.

The people directly and immediately deprived of their legal rights and those who learned of such situations insistently pressed us to entreat the competent bodies to defend and restore legality, and to inform the public in the country and abroad about what has been occurring.

They asked us to appeal to all the fora that may intervene to ensure that this ethnic group, so harshly tried in the past, frequently only because of its nationality, does not endure fresh injustice and hardships precisely at this time, when Romania has also won its freedom and is aspiring to join the European common house and when in official documents it is asserting the stability of the ethnic Germans in Romania.

Any delay in resolving the following problems will shatter our faith in the benevolent declarations made by Romanian officials regarding the ethnic Germans and the wish and ability to achieve a law-governed state in Romania, and may lead to serious conflicts unwelcome to us.

I. a) More than one year after the passing of Law No. 18/1991 and nine to 10 months since the issue of "certificates," less than 50 percent of the land has been distributed in a very large number of communes in Transylvania, and much less than that to ethnic Germans (for example, in the Brasov suburb of Bartholomeu none of the 77 hectares has been distributed; 200 hectares out of 460 have not been distributed in the Halchiiu commune, Brasov County; 100 hectares out of 150 remained undistributed in Mosna, Sibiu County). For this reason, in 1991 people were unable to use in any way their ownership rights over the land allocated by law and confirmed by a certificate; thus, they were unable to carry out the fall sowing, which means that there will be no grain to harvest for bread, they will not be able to sow the spring crops (spring wheat, double barley), and should there be further delays in distributing the land, they risk losing any means of cultivating anything in 1992.

After frequent endeavors at city halls, commission members and mayors have been telling them: "The Saxons come later," "Let's see if there is any land left" (for example in Mosna, Ighisu Nou, Rusi, all in Sibiu County, etc.) while their cocitizens received the land to which they were entitled, usually where they wanted it, so that what is left for "later" is slopes, hilltops, and the plots farthest away from the commune (for example Dacia and Ticusu Vechi, Brasov County).

b) In some localities, at the insistence of the inhabitants, in the fall of 1991 the communal councils distributed approximately 30 percent of the land so that the fall sowing could be done, while the remaining plots were to be allocated by the beginning of spring 1992. The owners carried out agricultural work on the plots distributed (fall plowing, sowing, fertilizer treatments), but now, at the beginning of spring, the newly elected mayors have canceled the fall distributions, have replaced members of the communal commissions, and have allocated the same plots of land to others, so that now there are new owners for the same land.

Humiliated, threatened, but trusting in the force of the law rather than of the fist, ethnic Germans are watching with pain, worry, and sometimes disappointment and resignation, how stakes and other land marks are appearing in the wheat they sowed and the beds they plowed, how others are sowing the fields they prepared, and they wonder who will harvest what they sowed (for example in Mosna, Nemsu, Ighisu Nou, Sibiu County; Harman, Brasov County, and so forth).

c) We view as absolutely unacceptable the attempt to allocate land to ethnic Germans on the borders of

localities other than those of their residence, inhabited by Romanians or Hungarians, on the grounds that no land was left in their localities of residence (as in the Halchiu commune, Brasov County). Note that in their centuries-long history the Transylvanian Saxons never deprived any other nationality of its land.

d) We believe that summoning only the ethnic Germans to town halls to bring additional proof of ownership—and that not in the spring of 1991, but in the spring of 1992, after the stage of verifications and reports was over, after the terms of appeal had expired and been resolved, after documents had been validated by the county commissions and ownership certificates had been issued—is an illegal, abusive act of intimidation of the ethnic Germans (example: Sinpetru Brasov).

e) The refusal to allocate land on grounds that "they or their parents belonged to the ethnic German group" (example: Rosia Montana, Abrud, Alba County); situations in which, although they requested land, they received certificates and are denied possession and sent to IAS [state agricultural enterprises] to buy shares; the illegal allocation of only 0.5 hectares per family; the fact that the suit filed with the Deva Court continues to be postponed while the land distribution is nearing its end (Aurel Vlaicu commune, Hunedoara County), constitute additional irregularities in the implementation of Law No. 18/1991.

f) At the same time, we protest the refusal of some city halls to award possession or IAS managements to persons who have certificates—which means that their ownership right was recognized—on grounds that they are about to emigrate or have emigrated and left power of attorney to children, relatives, or friends and will dispose of the property as soon as possession has been taken, within the legal period of time (communes Sinpetru and Harman, Brasov County; Mosna, Sibiu County).

We protest the cuts in the plots of land due to the churches in accordance with Article 21 of Law No. 18/1991 (Boz, Alba County; Sinpetru, Brasov County), or the refusal to award possession, although certificates were issued and shares were requested from the IAS, which in their turn also refused them (Geoagiu commune).

II. In very many situations, (certified) land owners did not receive any of the crops harvested in 1991 on their land. For example from 426 hectares in the Harman commune, Brasov County; 208 hectares in Sinpetru, Brasov; 150 hectares in Mosna, Sibiu; 408 hectares in Noul Sasesc/Sibiu, and 108 hectares in Nemsu, Sibiu.

III. In most situations, the 40-percent credit awarded for the land used by cooperatives was not distributed. Examples: Harman, Sinpetru, etc., Brasov County; Atel, Bier-tan, Mosna, etc., Sibiu County, and in other counties.

IV. The cases listed above do not exhaust the range of negative aspects in the implementation of Law No.

18/1991 to the detriment of ethnic Germans, nor the localities in which they are occurring, but they may be seen as significant examples designed to persuade you that measures have to be taken to ensure that the laws that are passed are also implemented. The fact of belonging to a minority must certainly not affect the obligation to equally apply the law to all the country's citizens.

We request your intervention to redress the mistakes made wittingly or unwittingly and to preempt a repetition of such mistakes.

First, however, we request that this group of citizens of the country also receive the land to which they are entitled, of an equal quality to that of the other citizens in their communes.

We demand that measures be taken to eliminate the tendencies to delay and intimidate, and insults and labeling such as "Hitlerites," "nazis," etc., to which people are subjected when they press the local bodies to respect their rights.

We believe that all the state bodies, at all levels, are obligated to intervene when they find law violations; for us this is a basic condition for continuing our efforts to engage as loyal citizens in the country in which we were born and for turning to good account for the country the many opportunities offered precisely by our nationality.

[signed] Professor Ingmar Brandsch, parliament deputy
Hugo Schneider, economic department head

Ed. note: One copy of this letter was sent by the signatories to Mr. Genscher. We want to congratulate the obtuse or dishonest mayors in the localities listed or not listed in the memorandum for their wonderful contribution to supporting the foreign policy of the Romanian state and for confirming Romania in the world as a land of abuse, robbery, and injustice. We also want to congratulate the honorable prefects of the counties in question and all the gentlemen and ladies who, having the authority to deal with such situations, did not even in passing wonder what it would have been like to have suffered, during the period of establishment of bolshevism in Romania, even one fraction of what the ethnic Germans suffered for the simple fact of being "Germans."

Stolojan's Report on State of Economy Discussed
92BA0889B Bucharest AZI in Romanian 1 May 92 p 3

[Unattributed report: "Half a Year of Stolojan"]

[Text] The latest Stolojan report featured a synthesis of the achievements of the team installed after the September raid of the miners, the measures viewed as indispensable to consolidate the national economy, the manner in which they can be implemented while at the same time protecting the public's incomes, and the

decisions regarding the 25-percent cut in subsidies for certain products and services.

The Stolojan government had only one political objective: To organize free and honest local, parliamentary, and presidential elections.

- The local elections were viewed as positive and as marking the beginning of a real reform of the institutions and structures of local government.
- There is no real reason that the parliamentary and presidential elections should not be held by the end of June 1992.
- The presence of national observers was viewed as "necessary," on condition that their activities be governed by precise rules.
- The primary economic objective pursued by the present governmental team regards the continuation of the economic and social reform, the only means by which conditions can be ensured for efficiently allocating the resources of the society.
- Noting that theoretical cabinet analyses cannot always be implemented (as was the case of the overnight privatization myth), [the government] sought to correct as much as possible the operation of certain institutions and mechanisms of the market economy.
- Economic and social stability is essential and efforts will be made to maintain them by resolving imbalances and settling conflictual situations.
- Out of 4,412 assets advertized for sale (for the privatization of economic enterprises with state capital), only 117 were sold.
- Some 34 economic enterprises with state capital are being prepared for privatization with the assistance of special firms, free of cost. A prospectus will be issued in May regarding the sale of stock in 10 economic enterprises.
- As of the second half of May ownership certificates will be distributed to about 16.5 million citizens through 6,000 distribution centers.
- Of a total of 2,063,000 state-stock housing units—built with state funds—941,000 (46 percent) have already been sold and 594,000 are in the process of being resolved.
- Work continues on the draft bill regarding a legal settlement of the situation of the 258,000 housing units which entered the state housing stock by means of nationalization, confiscation, etc.
- The consolidation of the rates of exchange of the leu (of 15 November 1991) and the spread of the effect of that consolidation throughout the economy served to directly connect the national price system to international prices.
- Eighty-three percent of the consumer goods production and services and 89 percent of the output of intermediary products for investment and export are being sold at balanced prices between demand and supply.
- However, tensions continue to be generated by the fact that the prices failed to balance between the demand and supply for 17 percent of the consumer goods and services and for coal and other minerals.
- While a free distribution of products was maintained in the domestic market, the foreign trade continued to be liberalized by reducing the number of products subject to contingencies or temporarily barred for export.
- As of 1 January 1992 a new customs tariff was introduced, adapted to the new situation.
- The Export-Import Bank will encourage exports, especially of equipment, installations, and complex processing, by granting low-interest loans and guaranteeing export loans.
- On the basis of discussions between the government and trade unions, collective labor contracts were negotiated by sectors and contracts at the level of autonomous managements and business companies are now being finalized.
- As of January 1992 individual salary ceilings were lifted and limits were established on the growth of the overall wage fund, with a view to preempting an inflationary spiral.
- The economic enterprises may establish unlimited individual salaries by raising the productivity and laying off superfluous personnel.
- The period of payment of unemployment relief was extended from six to nine months; simultaneously, a system of social assistance was introduced for those who no longer qualify for unemployment payments.
- Three new banks were opened within six months: the Bancpost, Creditbanc, and the Romanian Bank, and the Export-Import Bank was put into operation with an initial capital of 20 billion lei.
- The commercial banks formed by the split of the National Bank have begun gathering capital by issuing stock or through state contribution.
- It is believed that the stock exchange, the establishment of private property and of the state property fund, the activation of stock issues by commercial companies and the issue of new financial instruments for financing the budget deficit will provide an incentive for the capital market.
- A value-added tax will be introduced as of 1993; the draft bill for it has already been adopted by the government and is now to be submitted to Parliament.

- The draft bill on local income and other taxes, which will give increased authority to local and county councils, is already in Parliament.
- The government, in conjunction with the National Bank, has adopted the necessary measures to sterilize [sterilizarea] the money stock and strengthen the financial discipline of autonomous managements and businesses (by averting unpaid bills, establishing procedures for declaring companies as defaulting, etc.).
- After six months of consecutive drops in the industrial production, following the measures adopted on 15 November 1991 and in January and February 1992, the industrial output decline was stopped: Only 65 percent of the minimum power imports were carried out in March, and only 28 percent by April; consequently, the industrial production has begun falling again, although orders are at hand.
- In the first quarter of 1992 exports were 24.2 percent larger than in the same period of 1991.
- On 13 April this year the number of unemployed and other jobless persons was 550,000 (4.6 percent of the country's active population), compared to 260,000 and 2.3 percent on 30 September 1991.

For the sake of comparison, the unemployment rate in Poland is 17 percent, and in Czechoslovakia 10 percent.

- In the past six months, 237 industrial production facilities were closed down in an orderly manner: 30 mines, 37 machine-building sections, 41 chemical and petrochemical installations, and 46 units of the textile and leather industry.
- In March the price index was 205.8 percent compared to September 1992 and 657.3 percent compared to October 1990.
- The average nominal net wage index in March 1992 was 166.6 percent compared to September 1992 and 447.8 percent compared to October 1990.
- The ratio between the wage index and price index was 0.81 (in reference to September 1991) and 0.68 (in reference to October 1990).
- In 1991 the annual inflation rate was 323 percent and the average monthly inflation rate was 10.3 percent; in the first quarter of 1992 the average monthly inflation rate was 13.9 percent.
- In 1991 the budget deficit was \$1.3 billions, and the deficit projected for 1992 is about \$1.5 billions (5.4 billions in imports and 3.9 billions in exports).
- The essential reasons for the continued high inflation were increased hourly wages with no accord between the labor force and labor productivity developments and delays of about two months in distributing the second installment of the loan contracted in 1991 with the Group of 24, i.e., \$250 millions, the delay having been of a bureaucratic nature.
- In view of the shortage of foreign currency for daily consumption, the Romanian economy came to depend dangerously on foreign sources of financing; the budget deficit represents 38 percent of the exports envisaged for 1992 and 28 percent of the imports.
- Worth noting is the limited and falling nature of foreign financing.
- Romania must set vitally important objective: to gradually eliminate the foreign currency deficit, which means stopping the formation of foreign debt for the daily consumption of the economy and the public.
- There is only one alternative to the above objective: Within a few years we will have not only an economy based on outdated technologies, but also foreign debts.
- In accordance with the international financial rules, a country requesting foreign loans to finance a foreign currency deficit caused by daily economic and consumer consumption must as a rule prove to its creditors that it has government programs aimed at eliminating the disequilibrium.
- Absence of government action at this time is unacceptable, because it eliminates any chance to ensure economic stability and to mend the national economy.
- In implementing the new interest rate policy, the Romanian National Bank [BNR] and the commercial banks will take the following steps: Raise the refinancing interest rates practiced by the BNR from 29-35 percent to 50-60 percent or even 70-80 percent if the price increase index in March-April this year will make that necessary; apply different interest rates for loans given by the commercial banks, so that they should be lower for old loans designed to finance investments with a long production cycle, stockpiles, etc., according to individual case and in keeping with the resources of the banks in question, determined by the cost of their credit resources.
- Special attention will be given, among other things, to eliminating the system of export and import licences, with the exception of licences for barter operations, products subject to contingencies, etc.
- One of the harshest realities having a decisive impact on the people's living standard is that as the economy is becoming liberalized, subsidized products inevitably become subject to black marketeering.
- The prices of products and services used by the entire population (electrical power, bread, milk, sugar, oil, etc.) will be increased by 25 percent of the existing subsidy; the protection measures will take effect for all categories of incomes (salaries, pensions, unemployment relief, state allocations for children, etc.); incomes will be protected by covering 100 percent of

the effects of the price increases, in keeping with the share of the family consumption taken up by such expenses.

—For products and services utilized by only certain categories of the population, payment for the tariff difference on weekly or monthly fares on interurban public transportation for commuters will be left to the discretion of the economic businesses, which may cover it out of their revenues; payment for the tariff difference for student weekly or monthly tickets on interurban transportation will be borne from the budget; the price of school notebooks for students at all levels will be established without subsidies, but the price difference will be paid by the Ministry of Education and Science; school textbooks will be further distributed free of cost; rents will remain unchanged; only 75 percent of the existing subsidies will be continued for meat cuts and meat products used in social protection programs; the prices of the other meat products and meals will be changed following the elimination of subsidies for meat on the hoof.

Bank Keeps Leu Devaluation 'Under Control'

92BA0889A Bucharest AZI in Romanian 1 May 92
pp 1, 3

[Unattributed interview with National Bank Governor Mugur Isarescu on 23 April; place not given: "Lei Packed in Suitcases Will Be Converted Into Hard Currency"]

[Text] [AZI] Do the measures concerning and the modification of the foreign currency regime denote an implicit recognition of the fact that what was done in November was not implemented and that the fixing [last word given in English] was a blunder?

[Isarescu] The system that has been implemented in our country since November works very well, and has in countries like Czechoslovakia and Hungary. The trouble with the November system was that, on the one hand, we started on the brink of winter with a low level of credibility, and on the other that in February we were compelled to practically break off the system. If it had continued we would have had to release the exchange rate and raise interest rates. I ask you, was February the right time to let interest rates rise to 100 percent and to lose control of the exchange rate? Moreover, we did not know what was going to happen with foreign financing, we still did not have the agreements with the IMF and the World Bank. But even countries with the system we used as of November experienced periods of inertia of about six to eight months and blockages. The essential change we now recommend—out of psychological rather than purely economic considerations—is to restore businesses the right to keep foreign currency in Romanian banks.

In my opinion as an economist, if the two basic levers of domestic and foreign equilibrium—the exchange rate and interest rates—work well and if we balance them off, meaning that we can accept the social cost and the pain

stemming from the movement of those two levers, then the foreign currency regime does not matter. In our country, foreign currency presents an extraordinary fascination, which will persist. Now, however, businesses are doing everything in their power to keep foreign currency. And since they cannot keep it in the country, the foreign currency stays abroad. That is why we came to the conclusion that we need to change the foreign currency regulations. All the businesses will be able to keep foreign currency, but the regulations will be very strict: In Romania payments will be made only in lei, we will not allow the Romanian economy to once again be run in dollars, and exporters will have to bring home within a given period of time all payments received abroad, which they can keep at banks in Romania regardless of whether the banks are Romanian or foreign. In this manner we can prevent financial blockages such as we experienced last year, when the businesses were keeping their foreign currency and choosing not to pay their bills. Automatically 30 percent of the foreign currency payments received will be sold at the exchange rate of the day, and the amount will be used to pay for power, taxes, and salaries. This is an operation typical of a market economy. This is not a matter of delivery-receipt or of taking over. The buyer will be the monetary authority in the country. This operation will be presented in detail in a foreign currency regulation that will be issued next week.

[AZI] What can we do for the Romanian economy to no longer depend on foreign financing?

[Isarescu] We need to help ourselves. A country has no more than two means of overcoming its lack of equilibrium. The first is financing, whether from domestic sources—for which it needs resources, but our resources are on the brink of inflation, so any domestic financing means inflation—or foreign financing. And you see in what conditions we are getting that.

The second means is to adjust: adjust the imbalances instead of postponing them. The answer is clear: In order to not depend on foreign financing, we need to increase our adjustment efforts, which currently are painful, but necessary. So we must accept high interest rates, which contribute to the recovery of the national currency. The national currency is itself a commodity that, if it is sold under market price, under the balance price, it means that we are indirectly subsidizing the entire economy. And we cannot subsidize it except by inflation.

[AZI] How much will the leu be devalued?

[Isarescu] Of course, I cannot tell that. Nor can I talk of the calculations made both by us and by others. What I can tell you is that we will keep the devaluation of the leu under control. It will not go off on a spiral, there will be no 300-percent breakaway devaluations like in November, we will move in accordance with the market conditions, as closely as possible to how other countries are proceeding: at a low percentage, sometimes faster and sometimes more slowly. What is important is that

until the entire stock of lei currently in the banks for conversion into foreign currency has not been resolved, we will not allow the exchange rate to move beyond the risk margins assumed by both the banks and businesses.

According to all our calculations, in the coming three to four weeks we can unblock, i.e., pass the entire stock currently in the banks through the conversion channel. Almost all, because some of the stock is speculative. Much will deflate as soon as the interest rates will rise. Many people counted on such a move: They took loans at 20-30 percent interest and waited for the dollar to move from 200 to 300 lei, and made money in that way. Those people will disappear of their own accord, we will not even have to chase them off.

[AZI] How far will the new rate of the leu be supported?

[Isarescu] The easiest way is to have foreign currency reserves. However, currency reserves and interventions by means of currency reserves is tantamount to financing: financing by previous accumulation or foreign financing. We are not well off in that area, and therefore the exchange rate will be supported rather by means of monetary, currency, and commercial policies, such as: making the leu more expensive, raising interest rates, and discouraging nonessential imports by introducing import surcharges.

[AZI] What is the current stockpile situation?

[Isarescu] We have material regarding stockpiles that we will present to Parliament. But we do have some significant figures. One of them has very serious connotations: 23.4 percent of Romania's GNP, almost one-quarter of what is produced in this country, remained on stock by the end of 1991. On the one hand, that shows that instead of going to investments, all the accumulation still taking place or made in the Romanian economy remained blocked in material stockpiles; on the other hand, this explains the fall in consumption: Stockpiles cannot be used either for production or for final consumption. After an initial evaluation, stockpiles are distributed equally: one-third to unfinished production, one-third to raw and other materials, and one-third to finished production, for which another couple of reference marks exist in order to sell it, and the unsalable production. As an economist I can tell you that this figure of 23.4 percent was also fostered by the fact that last year it was financed at a very low interest rate.

[AZI] What are the account settlement methods that distinguish between those who pay their debts and those who do not, and those who fulfill their contracts with others?

[Isarescu] The first condition is that anyone who is not paying his debts should go on normal trial. In a civilized country, someone who failed to pay \$50 for one day, goes to jail. Here billions of dollars are not paid and nothing happens to anyone! What chances can we have if we do

not observe this vital requirement for any civilized country? Anyone who does not pay his debts must be penalized. Last year we had more than 1,000 billion lei in late payments, but in the end we patted all the debtors on the head. Each one claimed he could not pay because of the other. This vicious circle must be broken.

[AZI] Will the peak of the struggle against inflation be reached by the monetary reform?

[Isarescu] Not necessarily. Depends how far the inflation will get. If we manage to stabilize it according to plan at a 20-percent annual rate by December with a price increase of 1.5 times over, or—even if this figure is optimistic—at a reasonable rate for a country getting out of a 20- to 30-percent annual rate transition, a monetary reform will not be needed. In Italy the dollar is 1,300 lire. They tried to have such a reform, they tried to say: one new lira will equal 1,000 old lire, but they gave up because it was messing up their calculations. Changing symbols is rather a formal operation. That will not add strength to the national currency. If we were to make such comparisons, we would have to admit that the yen is weaker than the dollar because \$1 is worth over 100 yen. The strength of a currency comes from its domestic stability. A confiscative monetary reform, however, is entirely something else and it can take care of inflation in absolutely special conditions. What it does tend to resolve is hyperinflation. We are not there yet, and we strongly hope not to get there.

As for changing the banknotes, we have begun the process and by the end of the year we will be ready to change all the banknotes and to pull out the worn ones. The process will begin already in May. As an anecdote I must tell you that the hundreds alone make up mountains of paper. Now the main problem is that we do not know how and were to destroy them. By the normal procedure it would take us 13 years.

[AZI] Will project credits become operational?

[Isarescu] Under the establishment of the EXIMBANK and the methods established to guarantee loans, we have already envisaged in this year's balance of payments approximately \$500 million for project investments. So there are attempts to direct our foreign financing toward investments, too, not only toward direct consumption. Until now three obstacles prevented us from following that direction: The absence of currency reserves, the creation of a system of guarantees that took time, and a shortage of credible projects. An application or a couple of documents are not enough for a foreign creditor to consider an investment project. You need thoroughly examined projects, and we did not have many of those. The plans must persuade that we know how to work and that we have made all the calculations.

[AZI] Is there any chance of securing the necessary foreign currency to buy agricultural treatment substances and fertilizer in time?

[Isarescu] As of this very afternoon (23 April 1992—ed. note) the currency market will be unblocked. Which does not necessarily mean that the exchange rate will go its own merry way; no one needs to panic. In view of the

urgent need for agricultural imports, the foreign currency accounts were unblocked earlier with the approval of the government. The others, however, cannot be given priority, in spite of the heavy pressures applied.

Alleged Greek Pogrom Against Macedonians

92BA0952A Skopje NOVA MAKEDONIJA
in Macedonian 15 May 92 pp 1-2

[Article by Drashko Antov, special for NOVA MAKEDONIJA: "Secret Document for a Pogrom Against Macedonians!"—first paragraph is NOVA MAKEDONIJA introduction]

[Text] In a letter to Greek President Karamanlis, the Society of Threatened Peoples, exposing the Greek plan for the destruction of Macedonians in Greece, insists that the truth about Macedonia be told and that the genocidal actions of the Greek secret police be stopped.

Dusseldorf, 14 May

The familiar Society of Threatened Peoples in the World, with headquarters in Gottingen, which is also known for publishing the periodical POGROM, which on several occasions has come up with extensive information on the situation of Macedonians in Greece and on the Greek policy of genocide, insisted, on the eve of the meeting of the ministers of foreign affairs of the European Community in Brussels, in its concern for the protection of small nations, that steps be taken to reveal the truth about Macedonians in Greece and the genocidal actions taken by the Greek secret police toward Macedonians in Greece. The letter was addressed to Constantine Karamanlis, president of the Republic of Greece, in Athens.

Among other things, the letter stresses the following: "There are between 150,000 and 300,000 Macedonians living in Greece, in our estimate. It is not a question of a small linguistic group whose basic minority rights are denied. The reason for such denials is exclusively the intolerance shown by your government toward minorities, especially by the leading New Democracy and PASOK parties. Such an incomprehensible nationalistic campaign waged against the neighboring Republic of Macedonia should be ended and a ban imposed on constant spying on and surveillance of the Macedonian minority in northern Greece by Greek state security. A secret document, which reached us recently, reveals that the alleged "threat from Skopje is a means for the destruction of the Macedonian minority in that area of Greece."

Some of the methods aimed at the destruction of the Macedonian minority are the following: Only Greek citizens whose mother tongue is Greek have the right to be employed in the northern part of Greece, whereas Macedonians can work only in the southern Greek areas. Most rigorous steps are taken to prohibit the use of the Macedonian language and customs by party and youth organizations in the villages of Aegean Macedonia, whereas Greek soldiers are allowed to marry Macedonian women and thus reduce the number of Macedonians. The women are forced to deny their Macedonianism. According to our information, this document indicates a violation of fundamental and basic human

rights of Macedonians since the 1949 civil war. Since then, the use of the Macedonian language has been forbidden with the help of a variety of punishments, threats, and imprisonment, not only in establishments and coups but also in the very homes of the Macedonians. Anyone who left Greece during the civil war is forbidden to return to his native place in Greece. Those who have returned as Macedonians have had all their possessions confiscated along with whatever they had earned abroad. We also know that, in the past two years, newly founded Macedonian societies have been kept under constant control by the Greek secret service, for which reason they have been unable to publish their works, and the recognition of such societies has been forbidden by the Greeks.

The letter to Karamanlis was signed by Tilmann Zileich, president of the Society of Threatened Peoples, in the light of the secret document, which accompanies the letter, dated 16 February 1981, entitled "Measures Against Macedonia," which shows that the Greek secret service has undertaken specific actions to eliminate everything Macedonian in northern Greece:

The efforts of the people of Skopje to gain Macedonian independence must be blocked by all possible means. The best ways are to prohibit the use of the Macedonian language and for Macedonians to move to other parts of Greece and be replaced by Greeks, thus eliminating the "Macedonian question."

To prohibit the return of Macedonians who had escaped and lived elsewhere, so that not a single Macedonian will remain in the northern part of Greece, and to block any type of cultural and linguistic propaganda coming from Skopje to that part of Greece.

To set up special organizations under the supervision of the Ministry of Internal Affairs and thus block the spread of Macedonianism in northern Greece.

To employ individuals who do not speak Macedonian.

To encourage those who are employed with free housing, recreation, and other state benefits.

To promote Greek cultural societies and expand them; to publish books and pamphlets to promote the concept that, abroad, Aegean Macedonia will be considered Greek, thus deleting the word "Macedonia."

To cause various difficulties for students from Greece studying in Skopje to prevent them from pursuing their studies (deferment denied and so forth).

To encourage young people everywhere to promote the Greek idea and, if necessary, to persuade the people, with the help of money, as well, that neither the Macedonian language nor Macedonians exist.

To immediately move to the southern part of Greece all individuals in Lerin who are employed and who speak Macedonian.

To give service benefits and promotions to soldiers who marry Macedonian women and make them adopt Greek customs.

To industrialize the land with a view to full employment for the Greeks and the development of high standards, thus blocking the spread of propaganda coming from Skopje and neutralizing the Macedonians.

The document further stresses that all Macedonians must be kept under surveillance and subject to spying for the purpose of the definitive elimination of the Macedonians and the creation of pure Greek settlements, as

well as imposing all kinds of prohibitions on Macedonian societies, organizations, and slogans demanding independence, autonomy, or minority rights.

These regulations were signed by Lieutenant General Dimitris Katelaris. It is further known that the task of the Aristotle Club in Dusseldorf is to mount Greek anti-Macedonian campaigns and that it is financially assisted by the Greek secret police. Furthermore, the Greek Consulate in Dusseldorf and Greek consulates elsewhere in Germany maintain a large network of Greek spies who pay attention to anything that goes on, similar to the former Soviet KGB.

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